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Congressional Record

PROCEEDINGS AND DEBATES OF THE 78th CONGRESS, SECOND SESSION

SENATE

TUESDAY, JUNE 13, 1944

(Legislative day of Tuesday, May 9, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of our fathers, facing tasks that tower above our power to achieve, with a sense of our utter inadequacy we bow for the strengthening benediction of our morning prayer. We come with hearts solemnized by the costly sacrifice which every day is being made to defend the liberty which is the very breath of our life. Hear our supplication as out of our gratitude and our grief, our longing solicitude wings its way over dim leagues to those absent, dearer to us than life itself, joined to us in a living fellowship that no danger or distance can sever.

The long rows of the fallen on far beaches stain the red of our flag to a new luster as, with aching hearts strangely moved, we salute the broad stripes and bright stars, singing softly in our hearts, not without sobs but with new meaning,

"O beautiful for heroes proved
In liberating strife,
Who more than self their country loved,
And freedom more than life."

As soldiers marching with them in that liberating strife, in this time of tumult, in this hour of danger, in this night of anxiety, give us calmness of mind, stability of purpose, consecration to duty, and a stern determination to finish the work which Thou hast given us to do. We ask it in the name that is above every name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, June 12, 1944, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore (Mr. GILLETTE). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Revercomb
Austin	Guffey	Reynolds
Ball	Gurney	Robertson
Bankhead	Hatch	Russell
Bilbo	Hill	Shipstead
Brewster	Holman	Stewart
Bridges	Johnson, Colo.	Taft
Buck	Kilgore	Thomas, Idaho
Burton	La Follette	Thomas, Okla.
Bushfield	Lucas	Thomas, Utah
Butler	McClellan	Truman
Byrd	McFarland	Tunnell
Capper	McKellar	Vandenberg
Chavez	Maloney	Wagner
Connally	Maybank	Wallgren
Cordon	Mead	Walsh, Mass.
Danaher	Millikin	Walsh, N. J.
Davis	Moore	Weeks
Downey	Murdock	Wheeler
Eastland	Murray	Wherry
Ellender	O'Daniel	White
Ferguson	Overton	Wiley
George	Pepper	Willis
Gerry	Radcliffe	Wilson
Gillette	Reed	

Mr. HILL. I announce that the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], and the Senator from Wyoming [Mr. O'MAHONEY] are absent from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Kentucky [Mr. BARKLEY], the Senator from Arkansas [Mrs. CARAWAY], the Senator from Kentucky [Mr. CHANDLER], the Senator from Idaho [Mr. CLARK], the Senator from Missouri [Mr. CLARK], the Senator from Arizona [Mr. HAYDEN], the Senator from Indiana [Mr. JACKSON], the Senator from South Carolina [Mr. SMITH], and the Senator from Maryland [Mr. TYDINGS] are detained on public business.

The Senators from Nevada [Mr. McCARRAN and Mr. SCRUGHAM] are absent on official business.

The Senator from North Carolina [Mr. BAILEY] is necessarily absent.

Mr. WHERRY. The Senator from Illinois [Mr. BROOKS], the Senator from New Jersey [Mr. HAWKES], the Senator from North Dakota [Mr. LANGER], and the Senator from North Dakota [Mr. NYE] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The ACTING PRESIDENT pro tempore. Seventy-four Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 3476) to approve a contract negotiated with the Klamath Drainage District and to authorize its execution, and for other purposes.

The message further announced that the House further insisted upon its disagreement to the amendments of the Senate numbered 8 and 9 to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SHEPPARD, Mr. THOMAS of Texas, Mr. COFFEE, Mr. WHITTEN, Mr. PLUMLEY, Mr. JOHNSON of Indiana, and Mr. PLOESER were appointed managers on the part of the House.

TRANSACTIONS BY UNITED STATES DISBURSING OFFICERS

The ACTING PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of the Treasury transmitting a draft of proposed legislation to authorize certain transactions by disbursing officers of the United States, and for other purposes, which, with the accompanying paper, was referred to the Committee on Banking and Currency.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate petitions of sundry citizens and representatives of various real-estate companies and corporations of New York City, and vicinity, New York, praying for amendment of the rent-control section of the Emergency Price Control Act so as to remove alleged inequities therefrom, which were ordered to lie on the table.

PRICE CONTROL AND STABILIZATION PROGRAM—PETITIONS

Mr. AIKEN. Mr. President, I have received a petition reading as follows:

The new Senate-proposed price-control bill with 12 crippling amendments would break the back of price control and the whole stabilization program. If it became law it would be the beginning of real inflation which is bad for the people and our Nation at war.

We urge you work and vote for a strong price control law and full stabilization including wage adjustments to bring wages in line with already high cost of living.

The petition is signed by approximately 1,000 members of the United Electrical Workers Union, Local 218, of Springfield, Vt.

The ACTING PRESIDENT pro tempore. Does the Senator request that the petition be printed in the RECORD together with the names signed thereto?

Mr. AIKEN. I do not ask to have the petition or the names printed in the RECORD. I simply wish to have the body of the petition which I have read shown in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, the petition presented by the Senator from Vermont will be received and lie on the table.

ST. LAWRENCE SEAWAY—LETTER

Mr. AIKEN. Mr. President, I ask unanimous consent to read into the RECORD and to have appropriately referred a very short statement or letter from the City Port Commission of Lorain, Ohio.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Vermont? The Chair hears none, and the Senator may proceed.

Mr. AIKEN. The letter is as follows:

CITY PORT COMMISSION,
Lorain, Ohio, June 9, 1944.

Hon. GEORGE D. AIKEN,
United States Senate, Washington, D. C.

DEAR SENATOR AIKEN: The members of the port commission of the city of Lorain, Ohio, wish to inform you that they have gone on record in favor of the St. Lawrence seaway, and wish to urge your support of this long-deferred and urgently needed project.

Respectfully yours,
J. ALBAN MINNICH, D. D. S.,
President, Lorain Port Commission.

The ACTING PRESIDENT pro tempore. Without objection, the statement presented by the Senator from Vermont will be referred to the Committee on Commerce.

Mr. AIKEN also presented a resolution of the City Council of Burlington, Vt., relating to the Great Lakes-St. Lawrence seaway and power agreement with Canada, which was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Resolution relating to urging prompt approval by Congress of the Great Lakes-St. Lawrence seaway and power agreement with Canada

Whereas the Burlington City Council has consistently advocated the St. Lawrence seaway, as embodied in the pending Aiken-Pittenger bill now before the Congress; and

Whereas the taxpayers have in 2 years already paid, in subsidies and lost income from direct electrical and transportation receipts, more than the cost of the St. Lawrence seaway itself; and

Whereas the shortage of feed, fuel, and other farm and civilian supplies, caused largely by the lack of proper water transportation, now retards the development, not only of the farm, but of mining and the industries of the Northeastern States, especially as compared with other sections of the United States; and

Whereas the cheap power generated and distributed would create a necessary and vast improvement in the agricultural and general welfare of labor and industry throughout New York and New England; and

Whereas 78 percent of the cost of this St. Lawrence seaway project is for labor, direct and indirect, which will contribute in no small way to post-war employment: Now therefore

Resolve, That the Burlington City Council urge prompt approval by Congress of the Great Lakes-St. Lawrence seaway and power agreement with Canada, in order that the project may go forward and thus create this new water highway with its great electrical benefits.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. HILL from the Committee on Military Affairs:

S. 1973. A bill to provide additional pay for enlisted men of the Army assigned to the Infantry who are awarded the expert infantryman badge or the combat infantryman badge; without amendment (Rept. No. 964).

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

RIVER AND HARBOR IMPROVEMENTS—AMENDMENT

Mr. MEAD submitted an amendment intended to be proposed by him to the bill (H. R. 3961) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was ordered to lie on the table and to be printed.

APPROPRIATIONS FOR WAR AGENCIES—AMENDMENT

Mr. RUSSELL submitted an amendment intended to be proposed by him to the bill (H. R. 4879) making appropriations for war agencies for the fiscal year ending June 30, 1945, and for other purposes, which was ordered to lie on the table and to be printed, as follows:

On page 10, line 16, after "$500,000" insert a colon and the following: "*Provided*, That not more than 25 percent of the part of this appropriation which is used for the payment of compensation for personal services shall be used for the payment of compensation of persons who are members of any race comprising less than 15 percent of the total population of the United States, according to the 1940 census."

SPECIAL COMMITTEE TO STUDY AND SURVEY PROBLEMS OF SMALL BUSINESS ENTERPRISES—LIMIT OF EXPENDITURES

Mr. MURRAY submitted the following resolution (S. Res. 308), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the limit of expenditures under Senate Resolution 298, Seventy-sixth Congress (providing for a study and survey of the problems of American small business enterprises), agreed to October 8, 1940, and continued by Senate Resolution 66, Seventy-eighth Congress, is hereby increased by $25,000.

ADDRESS BY THE PRESIDENT ON OPENING OF THE FIFTH WAR LOAN DRIVE

[Mr. GEORGE asked and obtained leave to have printed in the RECORD the address delivered by the President of the United States on June 12, 1944, in connection with the opening of the Fifth War Loan drive, which appears in the Appendix.]

AMENDING PRICE CONTROL—EDITORIAL FROM NEW ORLEANS TIMES-PICAYUNE

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an editorial entitled "Amending Price Control," published in the New Orleans Times-Picayune of June 10, 1944, which appears in the Appendix.]

APPROPRIATIONS FOR DEFENSE AID (LEND-LEASE), U. N. R. R. A., AND FOREIGN ECONOMIC ADMINISTRATION

Mr. McKELLAR. Mr. President, I move that the Senate proceed to the consideration of House bill 4937, making appropriations for defense aid. It is the lend-lease appropriation bill.

The ACTING PRESIDENT pro tempore. The clerk will state the bill by title.

The CHIEF CLERK. A bill (H. R. 4937) making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. Mr. President, I ask that the formal reading of the bill be dispensed with, that it be read for amendment, and that committee amendments be first considered.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will state the first amendment of the Committee on Appropriations.

The first amendment of the Committee on appropriations was, under the heading "Title II—United Nations Relief and Rehabilitation Administration," on page 5, line 10, after the figures $450,000,000", to strike out ", not to exceed $21,700,000 shall be available for procurement for 61,700,000 pounds of raw wool from stock piles of the United States Government existing on the date of the approval of this Act and $43,200,000 shall be available for procurement of 345,500 bales of cotton now owned by the Commodity Credit Corporation," and to insert "not to exceed $21,700,000 shall be available for procurement of 61,700,000 pounds of domestic raw wool, or such amount of domestic raw wool as the foregoing sum will purchase, from stock piles of the United States Government existing on the date of the approval of this Act and $43,200,000 shall be available for procurement of 345,500 bales of domestic cotton, or such amount of domestic cotton as the foregoing sum will purchase, now owned by the Commodity Credit Corporation."

Mr. McKELLAR. Mr. President, the change here is principally in the use of the word "domestic" before the words "raw wool."

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The clerk will state the next amendment of the committee.

The next amendment was, under the heading "Title III—Executive Office of the President—Office for Emergency Management—Foreign Economic Administration," on page 7, line 19, after the word "at" to strike out "$10,000" and insert "$15,000"; on page 8, line 15, after "(not exceeding $90,000);", to strike out "$19,500,000" and insert "$20,000,000", and in line 16, after the word "exceed" to strike out "$500,000" and insert "$100,000."

The amendment was agreed to.

OBLIGATION OF CANDIDATES FOR PUBLIC OFFICE TO EXPRESS THEIR OPINIONS

Mr. HATCH. Mr. President, I do not like to interrupt the consideration of the appropriation bill in charge of the Senator from Tennessee [Mr. McKELLAR], but I wish to make a few remarks on the subject which I discussed briefly yesterday.

No man was ever more earnest than I was yesterday when I spoke very briefly about the duty and what I consider the obligation of men who aspire to high public office today to express their opinions and their views, plainly and unequivocally, because the issues of the day demand that men speak forthrightly, honestly, and frankly.

I was in earnest yesterday. I am in earnest today, and I reiterate and reemphasize what I said yesterday. It is time, it is time now before the meeting of the conventions, before the elections are held, for the candidates, for men who seek high office, to tell the people and to tell the delegates to their own conventions just where they stand on every issue, foreign and domestic.

Yesterday the Senator from Indiana [Mr. JACKSON] eloquently spoke of the dead and dying on the beachheads of France, of those—and I am quoting the Senator—

> Sons * * * lost in the Straits of Dover * * * boys * * * entangled in the barbed wire * * * bombed out of the sky, and (of those) precious and hopeful bodies (which) have been turned into putrescent flesh.

In those brief remarks the Senator from Indiana said:

> I have now determined that some time before next election day, when my short term here will end, I shall make a special effort to speak in behalf of the aspirations of humanity in the field of a permanent, perpetual, just, and Christian peace.

And again the Senator said:

> America must learn of blood in order to realize that mankind is worth saving, and that if it is to be saved, it must be saved under the leadership of this Republic.

O Mr. President, I endorse every word of that utterance by the Senator from Indiana, but I do not want him, nor do I want others who also entertain strong and vigorous opinions, to delay too long in giving expression to their thoughts and views.

Right here, I think, Mr. President, it is not out of place to read a most moving prayer which was uttered by the radio commentator, Gabriel Heatter, on his broadcast of June 6 last. This is the prayer Mr. Heatter prayed:

> Merciful God watch over these men. They march in a crusade for humanity and freedom. These are not men of war. These are not men of hate or vengeance. These are humble men. Men whose hearts will never forget pity and mercy. They fight to give all the children of men peace on earth. They fight to banish tyranny and fear. Merciful God our homes are empty—our hearts are torn with this desperate vigil.
>
> Into your care we give our prayers—our lives—our sons—all that we are and can ever hope to be on this earth—send these men back to us—home to us—for they are part of man's spirit—of man's dream of a world which is free and where kindness lives—watch over these men—we who are meek and humble—we whose faith is strong ask this.
>
> Send these men back to our hearts and our homes—this is our prayer.

Mr. President, when we consider the men who are dying for these high principles, can any man hesitate to risk his political life, when the welfare of the Nation and of the world is involved? I repeat, Mr. President, the time is now.

I said yesterday, and I have said today, that I was as much in earnest as it is possible for a man to be, and I mentioned the fact yesterday that the last leader of the great Republican Party, the man it had chosen to be its candidate for President of the United States, was writing a series of articles outlining his views as to what the platform of his party should contain. In a way, I complimented Mr. Willkie for his forthrightness in so declaring what the Republican Party platform should contain; but not being a member of his party I hesitated to insert in the CONGRESSIONAL RECORD the article which Mr. Willkie had written. Naturally and surely, I thought, some Member on the other side of the Chamber, or some Member of the minority party in the House of Representatives, would place a statement of that kind in the CONGRESSIONAL RECORD. And while I had it here on my desk, being a Democrat, I did not ask permission to insert it in the RECORD.

This morning I went through the CONGRESSIONAL RECORD, hurriedly, to be sure, because our time is limited, but, so far as I can determine, and I think it is true, not a Republican asked that the views of their last candidate for President be made a part of the CONGRESSIONAL RECORD. Therefore, Mr. President, regardless of the fact that I am a Democrat, regardless of the fact that I have no right to speak and I do not speak for the Republican Party, I now ask unanimous consent that the article written by Mr. Willkie yesterday be included in the Appendix of the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I shall not discuss what Mr. Willkie said yesterday, nor shall I discuss what he said in his article published this morning, but I now ask that the article written by Mr. Willkie appearing in this morning's newspaper be printed in the Appendix of the RECORD immediately following the article of yesterday.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HATCH. Mr. President, it is not important to me now what views Mr. Willkie is expressing, and certainly I would not attempt to argue or persuade or even suggest what the minority party ought to declare in its platform. That is for the Republican Party to determine. But the important thing, Mr. President, about which I am speaking, and about which I spoke yesterday, is this: It is important to declare now frankly, candidly, and forthrightly, exactly what is proposed, both internationally and domestically. As a boy we used to have a saying: "Say what you mean and mean what you say."

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. BRIDGES. Will the Senator apply that saying and send it as a special message to Mr. Roosevelt in the White House—to say what he means and mean what he says? If the Senator will do that, and if the President will apply that saying to himself in connection with international relations, we may know to some extent what his position is. But the President has made speech after speech in which his position has varied widely. The ideals which he expressed a few months ago have simply "gone with the wind." No one knows where he stands today. It is time he spoke out. He is the President of the United States. The country is waiting. The people of the country are listening. The leader of every other Allied country has spoken out clearly and unmistakably.

Mr. Roosevelt has been silent. The Senator purports to stand for the Atlantic Charter. Where does Roosevelt stand on the Atlantic Charter today? I should like to know.

Mr. HATCH. Mr. President, naturally the question which the Senator from New Hampshire has asked was anticipated. I naturally thought that someone would ask that question. Let me say to the Senator from New Hampshire that before I conclude my remarks, if he will remain in the Chamber, I shall tell him what Mr. Roosevelt stands for, and I shall tell him upon a record which has been made for more than 25 years. I shall tell him in the language of the Scriptures, "By their fruits ye shall know them."

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. BRIDGES. Will the Senator include in that record how Mr. Roosevelt, in 1932, repudiated the League of Nations, for which Woodrow Wilson stood? He was a part of that administration. Will the Senator tell the whole record which includes more of the inconsistencies of the man who today sits in the White House?

Mr. HATCH. I can answer every question the Senator asks by the words of Franklin D. Roosevelt, if necessary; but, far better, by the acts which he has done as President of the United States,

and by the risks he took as a candidate for office. I shall come to that later.

Mr. BRIDGES. The Senator certainly cannot compare the words and the acts; so I can see very clearly that he must follow either the words or the acts, because in many instances the words and the acts fail to coincide.

Mr. HATCH. I understand the Senator's position. Let me say to the Senator from New Hampshire that I appreciate the strong stand he has taken on international affairs. I wish to compliment him for the position which he has steadfastly avowed and followed. I wish that the Republican candidates for President, whoever they may be, were as strong, forthright, and vigorous in their statements as the Senator from New Hampshire has been.

Presently, before I conclude, I shall refer to the other matters in which the Senator is so much interested.

Mr. President, as I recall, when I was interrupted I had just reiterated a statement which we used to make when we were boys. In boyish language, we said, "Say what you mean, and mean what you say." That is what I am referring to now. As I said awhile ago, if the boys who are fighting on the beachheads of France equivocated and hesitated in their grim and ghastly duty, if they hesitated to take a stand, faltered, wavered, and retreated, the cause of freedom would be lost. If political lives are lost as the result of frank and candid discussion, is it not better for men to die politically than to win by evasion?

Rightly it may be asked why I, as a Democrat, am so much interested in what the other party may say or do. It may be asked, Why not wait until the convention has met and the platform has been written? Why not take what is said in the platform as the utterances of the candidate?

If we could rely upon platform declarations, that question would be proper, entirely in place, and I should be entirely out of place in asking, as I am doing, and as I did yesterday, that all men who aspire to office—and that includes Senators and Members of the House of Representatives, and includes Democrats as well as Republicans—shall frankly state their views on all issues.

Mr. President, I have a memory; perhaps it is too vivid a memory for my own peace of mind; sometimes I wish I might forget; but my memory carries me back 24 years. It is a memory of great issues in a great campaign, which involved the principle of whether this Nation should take her rightful place and participate in the affairs of the world. I have a memory of a declaration made by the Republican Party in its platform 24 years ago. I read that plank today. It was a solemn declaration by a great party in convention assembled:

> The Republican Party stands for agreement among the nations to preserve the peace of the world. We believe that such an international association must be based upon justice and must provide methods which shall maintain the rule of public right by development of law and the decision of impartial courts, and which shall secure instant and general conference whenever peace shall be threatened by political action, so that the nations pledged to do and insist upon what is just and fair may exercise their influence and their power for the prevention of war.

The declaration envisions military force, if you please, for the prevention of war. Twenty-four years ago the Republican Party wrote that strong declaration into its platform. Mr. President, experience has proved that we cannot rely upon platform declarations. The plank which I have just read is a stronger declaration than that of the Mackinac conference. It is even a stronger declaration of purpose and principle than was contained in the resolution which we adopted in the Senate a few months ago. Surely the declaration that "an international association must be based upon justice and must provide methods which shall maintain the rule of public right by development of law and the decision of impartial courts" embraced a principle which not only should have had universal support by all parties but should have been carried out faithfully, which was not done.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. BRIDGES. I wonder if the Senator can indicate at what time, approximately, he will tell where Roosevelt stands, where the Democratic Party stands, and where he stands at present on our peace aims. I should like to be present and listen to him.

Mr. HATCH. I shall not consume very much time. I wish to conclude these remarks. I shall probably conclude within 15 minutes at the most.

Mr. BRIDGES. I should like to hear what the Senator has to say on that subject.

Mr. HATCH. I do not suppose the Senator has any doubt as to where I stand.

Mr. BRIDGES. No; I think the Senator is very sincere.

Mr. HATCH. I have spoken all over the country——

Mr. BRIDGES. I should like to hear where Roosevelt stands, where the Democratic Party stands, and just how far in their views they are from the Senator from New Mexico.

Mr. HATCH. Very well. I shall answer that question now, since the Senator does not wish to stay, but wishes to leave.

I shall go back, as I say, 24 years. I shall go back to a time when it might have paid men, politically, to equivocate, when it might have paid men to make a speech on this side of the League of Nations, favoring it, which could just as easily have been interpreted as being on the other side, against it. As I shall presently show—and I mean no disrespect for the dead—that is exactly what the Republican candidate did in that year.

So I am going back 24 years, to read to the Senator the declaration of the Democratic Party. I will tell the Senator that at that time Franklin D. Roosevelt was a candidate for Vice President. It would have furthered his political aims if he had equivocated and had refused to stand on that platform. But, nevertheless, he took the dangerous way, the courageous way, and said, "On this plank I stand."

Mr. BRIDGES. Mr. President, will the Senator yield again?

Mr. HATCH. I yield.

Mr. BRIDGES. The Senator has been speaking of the very courageous manner in which President Roosevelt, the then candidate for Vice President, stood. I should like to have him explain to me why he repudiated that stand in 1932, when he was a candidate for President.

Mr. HATCH. Mr. President, the Senator crowds me too much; I cannot answer everything at once. I told him I would start with this. I will go along to 1932.

Mr. BRIDGES. Very well.

Mr. HATCH. I am also coming to 1936, 1940, and 1944.

I read further from the Democratic Party's platform in 1920:

> The Democratic Party favors the League of Nations—

No equivocation about that—

> as the surest, if not the only, practicable means of maintaining the peace of the world and terminating the insufferable burden of great military and naval establishments. It was for this that America broke away from traditional isolation and spent her blood and treasure to crush a colossal scheme of conquest. It was upon this basis that the President of the United States, in prearrangement with our allies, consented to a suspension of hostilities against the Imperial German Government; the armistice was granted and a treaty of peace negotiated upon the definite assurance to Germany, as well as to the powers pitted against Germany, that "a general association of nations must be formed, under specific covenants for the purpose of affording mutual guaranties of political independence and territorial integrity to great and small States alike."

There is no equivocation there.

For those things Franklin Roosevelt, as a candidate for office, stood in 1920.

I read further from the platform:

> Hence, we not only congratulate the President on the vision manifested and the vigor exhibited in the prosecution of the war, but we felicitate him and his associates on the exceptional achievement at Paris involved in the adoption of a league and treaty so near akin to previously expressed American ideals and so intimately related to the aspirations of civilized peoples, everywhere.

Mr. President, I shall omit a part of the declaration, because it is long. Senators are familiar with it. But I ask unanimous consent that the remainder of it be printed at this point in the RECORD as a part of my remarks.

There being no objection, the remainder of the declaration was ordered to be printed in the RECORD, as follows:

> We commend the President for his courage and his high conception of good faith in steadfastly standing for the covenant agreed to by all the associated and Allied Nations at war with Germany, and we condemn the Republican Senate for its refusal to ratify the treaty merely because it was the product of Democratic statesmanship, thus interposing partisan envy and personal hatred in the way of the peace and renewed prosperity of the world.
>
> By every accepted standard of international morality, the President is justified in

asserting that the honor of the country is involved in this business; and we point to the accusing fact that before it was determined to initiate political antagonism to the treaty, the now Republican chairman of the Senate Foreign Relations Committee himself publicly proclaimed that any proposition for a separate peace with Germany, such as he and his party associates thereafter reported to the Senate, would make us "guilty of the blackest crime."

On May 15 last the Knox substitute for the Versailles Treaty was passed by the Republican Senate; and this convention can contrive no more fitting characterization of its obloquy than that made in the Forum magazine of June 1918 by Henry Cabot Lodge, when he said:

"If we send our armies and young men abroad to be killed and wounded in northern France and Flanders with no result but this, our entrance into war with such an intention was a crime which nothing can justify. The intent of Congress and the intent of the President was that there could be no peace until we could create a situation where no such war as this could recur. We cannot make peace except in company with our allies. It would brand us with everlasting dishonor and bring ruin to us also if we undertook to make a separate peace."

Thus to that which Mr. Lodge, in saner moments, considered the blackest crime, he and his party in madness sought to give the sanctity of law; that which 18 months ago was of "everlasting dishonor," the Republican Party and its candidates today accept as the essence of faith.

We endorse the President's view of our international obligations and his firm stand against reservations designed to cut to pieces the vital provisions of the Versailles Treaty and we commend the Democrats in Congress for voting against resolutions for separate peace which would disgrace the Nation. We advocate the immediate ratification of the treaty without reservations which would impair its essential integrity; but do not oppose the acceptance of any reservations making clearer or more specific the obligations of the United States to the League associates. Only by doing this may we retrieve the reputation of this Nation among the powers of the earth and recover the moral leadership which President Wilson won and which Republican politicians at Washington sacrificed. Only by doing this may we hope to aid effectively in the restoration of order throughout the world and to take the place which we should assume in the front rank of spiritual, commercial, and industrial advancement.

We reject as utterly vain, if not vicious, the Republican assumption that ratification of the treaty and membership in the League of Nations would in anywise impair the integrity or independence of our country. The fact that the Covenant has been entered into by 29 nations, all as jealous of their independence as we are of ours, is a sufficient refutation of such charge.

The President repeatedly has declared, and this convention reaffirms, that all our duties and obligations as a member of the League must be fulfilled in strict conformity with the Constitution of the United States, embodied in which is the fundamental requirement of declaratory action by the Congress before this Nation may become a participant in any war.

Mr. HATCH. Mr. President, upon that declaration Mr. Roosevelt stood, as I have said, forthrightly, when it might have been to his advantage not so to stand.

The Senator from New Hampshire [Mr. BRIDGES] has referred to 1932, and, I presume, to a so-called repudiation of the League of Nations declaration as it was embodied in the platform of 1920. I think that statement was supposed to have been made to Mr. Hearst. I have no knowledge about the statement. I have no understanding as to what was involved. But certainly the League of Nations, as it was formed in 1920, in 1932 could well have been improved upon and strengthened. I do not believe Mr. Roosevelt ever repudiated the idea of an association of nations. I say that Mr. Roosevelt never repudiated the part this Nation should play in world affairs. In 1937, in a speech made in Chicago, he advocated quarantining aggressor nations.

Mr. President, I see that the Senator from New Hampshire is now engaged in a conversation. I thought he was interested in what I was saying.

Mr. BRIDGES. Mr. President, if the Senator will yield to me, let me say I was just sending to my office to get a copy of the repudiation of Mr. Roosevelt of the League of Nations, so that I could quote it to the Senator from New Mexico, in case he has never happened to see it.

Mr. HATCH. Very well.

Mr. President, I was referring to the speech made in 1937, at Chicago, when Mr. Roosevelt advocated quarantining the aggressor nations, and advocated the participation of this Nation in such a quarantine. He advocated doing exactly what the Republican platform declared for in 1920. But for his pains, for his foresight—and it was foresight—and for his courage he was proclaimed here on the floor of the Senate—and I sat here and heard it—a warmonger, a person who was trying to get us into war.

If the advice Franklin D. Roosevelt gave in 1937 had been followed by this country, and by the other nations of the world, for that matter—for Mr. Roosevelt was not only ahead of our own people, but was also ahead of other nations—the blood bath, the invasion of Czechoslovakia and Poland, the conquest of the entire European Continent, the subjection of millions of men and women to slavery, the terrible price we pay today in the blood of our own sons, might never have been required.

The Senator from New Hampshire asked me where President Roosevelt stands. I will tell him where President Roosevelt stands, based upon his record, based upon his public utterances, and based in part upon personal conversations. Franklin D. Roosevelt believes this world is too small for any nation to isolate itself from the rest of the world. Franklin D. Roosevelt believes that the same bravery and courage manifested by our sons, as they have always done in times of war, should be manifested by this Nation in times of peace.

I am proud of the record of my country in time of war. We never have hesitated. We have paid whatever price was necessary. And we are doing it today. I am not ashamed of what my country has done in time of war.

I am not so sure about times of peace. I say to you, Mr. President, that Mr. Roosevelt believes, as I believe, that we should demonstrate the same interest, the same courage, and the same willingness to suffer and to sacrifice, if necessary, in times of peace that we do in times of war; and that means taking our proper place among the nations of the world.

Mr. Roosevelt believes in a court of justice. He believes that the issues and disputes which arise among nations should be settled according to the principles of law and justice, instead of according to the power of might and destruction. Does the Senator have any doubt about that? As I have already said, "By their fruits ye shall know them." Read the record of this body with reference to the World Court. Read the record of Franklin D. Roosevelt and see what he stood for. The record is clear.

Mr. President, in political years we are likely to confuse issues. I am not charging the Senator from New Hampshire with doing so. I repeat the compliment which I paid him a while ago. I meant every word which I said about him. I wish he would accord to our President some degree of courtesy and faith, because after all, he is the Senator's President as much as he is my President.

To achieve the ends to which I have referred, to provide the necessary machinery for the peaceful settlement of disputes among nations without recourse to war, I am sure Franklin D. Roosevelt is today ready to sacrifice, if necessary, his political life. Yes; and he also believes in the independence of nations.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HATCH. Allow me to complete my thought.

The President believes in the right of the people of each nation to establish for themselves a government of their own choosing. He believes no more in the domination by this country of other nations than he believes in the domination of other nations by Germany.

I now yield to the Senator from New Hampshire.

Mr. BRIDGES. The Senator has said that he believes the President would stake his political future or political existence upon the attainment of the end which he seeks. I wonder if it is the Senator's opinion that Mr. Roosevelt feels so strongly in his convictions that in order to have unity in this country he would be willing to announce today or tomorrow that he is through with public office, that he would put peace aims above partisan politics, and that he would be willing to pass from the political picture in order to gain a uniform agreement in this Nation by both parties concerning peace aims.

Mr. HATCH. Mr. President, I assert that I personally believe that Mr. Roosevelt would be willing to make that sacrifice because he believes so strongly in the principles which he has announced. But I say to the Senator that I would not be willing for him to make such a sacrifice, and neither would the Democratic Party be willing that he make the sacrifice.

Mr. BRIDGES. Why?

Mr. HATCH. Because we remember that 20 years ago the people of America were led out on a limb of united support for an association of nations for the prevention of war. We also remember how the Republican Party destroyed that hope. We shall not be caught there again.

A platform declaration is not sufficient. A declaration of the individual himself is required. Let me again read from the history which was written 24 years ago. I quote from a book entitled "The United States and the League of Nations," by D. F. Fleming. In that book may be found the following statement by Chester H. Rowell, former Republican national committeeman for California:

One half of the speeches—

Referring to the speeches of candidate Harding—

were for the League of Nations, if you read them hastily, but if you read them with care every word of them could have been read critically as against the League of Nations. The other half were violent speeches against the League of Nations, if you read them carelessly, but if you read them critically every one of them could be interpreted as in favor of the League of Nations.

Mr. President, that quotation comes not from me, but from a former Republican national committeeman for the State of California. In the light of those speeches—I do not wish to refer critically to one who has gone—and in the light of the strict declaration made in the Republican platform, I say that it is necessary for a declaration to be made now, without equivocation.

So strongly 24 years ago did certain outstanding Republicans believe in a League of Nations, and so concerned were they in the equivocal utterances that were made and their fears that their party's position might not be understood, that 38 outstanding Republicans, Senators, and others, issued a statement which related all their difficulties in interpreting the position of their candidate and the position of their party. The statement was published in full, and I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks. I invite attention to the fact that among the first signatures on the statement is that of Herbert Hoover. The next signature is that of Charles Evans Hughes, followed by the signatures of numerous other men, including Elihu Root.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The paper signed by 38 Republican Senators in March 1919, before the League Covenant was adopted at Paris, advised the President that the signers could not approve a treaty in the form then proposed, although it was their sincere desire that the nations of the world should unite to promote peace and general disarmament.

A majority of the Senate voted to ratify the League amendment with modifications, which there is good evidence to show would have been accepted by the other nations; but Mr. Wilson refused to accept these modifications, and insisted upon the agreement absolutely unchanged, and Democratic Senators sufficient in number to defeat the treaty as modified followed Mr. Wilson by voting against ratification.

That is substantially the difference between the parties now. The Democratic platform and candidate stand unqualifiedly for the agreement negotiated at Paris without substantive modification.

On the other hand, the Republican platform says: "The Republican Party stands for agreement among the nations to preserve the peace of the world. We believe that such an international association must be based upon international justice and must provide methods which shall maintain the rule of public right by the development of law and the decision of impartial courts; and which shall secure instant and general international conference whenever peace shall be threatened by political action so that the nations pledged to do and insist upon what is just and fair may exercise their influence and power for the prevention of war."

Mr. Harding said in his speech of August 28: "There are distinctly two types of international relationship. One is offensive and defensive alliance of great powers. * * * The other type is a society of free nations, or a league of free nations animated by consideration of right and justice instead of might and self-interest, and not merely proclaimed an agency in pursuit of peace, but so organized and so participated in as to make the actual attainment of peace a reasonable possibility. Such an association I favor with all my heart, and I would make no fine distinction as to whom credit is due. One need not care what it is called. Let it be an association, a society or a league, or what not. Our concern is solely with the substance, not the form thereof."

Mr. Harding has since repeatedly reaffirmed the declarations of this speech in the most positive terms.

The question accordingly is not between a league and no league, but is whether certain provisions in the proposed league agreement shall be accepted unchanged or shall be changed.

The contest is not about the principle of a league of nations but it is about the method of most effectively applying that principle to preserve peace.

If the proposed changes in the Paris agreement were captious or without substantial grounds, one might question the sincerity of their advocates. This, however, is not the case.

The principal change proposed concerns article X of the League Covenant as negotiated at Paris. Mr. Wilson declares this to be "the heart of the League" and the chief controversy is about this.

Article X provides that the nations agreeing to the treaty shall "preserve as against external aggression the territorial integrity and existing political independence of all members of the League."

That is an obligation of the most vital importance and it certainly binds every nation entering into it to go to war whenever war may be necessary to preserve the territorial integrity or political independence of any member of the League against external aggression.

It is idle to say that Congress has power to refuse to authorize such a war, for whenever the treaty calls for war, a refusal by Congress to pass the necessary resolution would be a refusal by our Government to keep the obligation of the treaty. The alternative would be war or a breach of the solemnly pledged faith of the United States.

We cannot regard such a provision as necessary or useful for a league to preserve peace.

We have reached the conclusion that the true course to bring America into an effective league to preserve peace is not by insisting with Mr. Cox upon the acceptance of such a provision as article X, thus prolonging the unfortunate situation created by Mr. Wilson's insistence upon that article, but by frankly calling upon the other nations to agree to changes in the proposed agreement which will obviate this vital objection and other objections less the subject of dispute.

For this course we can look only to the Republican Party and its candidate; the Democratic Party and Mr. Cox are not bound to follow it. The Republican Party is bound by every consideration of good faith to pursue such a course until the declared object is attained.

The conditions of Europe make it essential that the stabilizing effect of the treaty already made between the European powers shall not be lost by them and that the necessary changes be made by changing the terms of that treaty rather than by beginning entirely anew.

That course Mr. Harding is willing to follow, for he said in his speech of August 28: "I would take and combine all that is good and excise all that is bad from both organizations" (the Court and the League). This statement is broad enough to include the suggestion that if the League which has heretofore riveted our considerations and apprehensions has been so entwined and interwoven into the peace of Europe that its good must be preserved in order to stabilize the peace of that continent, then it can be amended or revised so that we may still have a remnant of the world's aspirations in 1918 builded into the world's highest conception of helpful cooperation in the ultimate realization.

We therefore believe that we can most effectively advance the cause of international cooperation to promote peace by supporting Mr. Harding for election to the Presidency.

Lyman Abbott; Nicholas Murray Butler, president, Columbia University; Robert S. Brookings, president, Washington University, St. Louis; Paul D. Cravath; Charles W. Dabney, University of Cincinnati; Willian H. P. Faunce, president, Brown University; Frank J. Goodnow, Johns Hopkins University; Warren Gregory, San Francisco; John Grier Hibben, president, Princeton University; Herbert Hoover; Charles Evans Hughes; Alexander C. Humphries, president, Stevens Institute of Technology; Ernest M. Hopkins, President, Dartmouth College; William Lawrence, Bishop of Massachusetts; Samuel McCune Lindsay, President, Academy Political Science, Columbia University; A. Lawrence Lowell, president, Harvard University; chairman, Executive Committee, League to Enforce Peace; John Henry MacCracken, president, Lafayette College; Samuel Mather, Cleveland, Ohio; George A. Plimpton, president, board of trustees, Amherst, College; Henry S. Pritchett, president, Carnegie Foundation for Advancement of Teaching; Charles A. Richmond, president, Union College, Schenectady, N. Y.; Elihu Root; Jacob Gould Schurman, former president, Cornell University; Henry L. Stimson; Oscar S. Straus, member, executive committee, League to Enforce Peace; Henry W. Taft, member, executive committee, League to Enforce Peace; Isaac M. Ullman, New Haven, member, executive committee, League to Enforce Peace; William Allen White, editor, Emporia, Kans.; George W. Wickersham, member, executive commit-

tee, League to Enforce Peace; W. W. Willoughby, professor of political science, Johns Hopkins University; Ray Lyman Wilbur, president, Leland Stanford, Jr., University.

Mr. HATCH. Mr. President, I realize that my remarks today may seem to be an attack upon the opposition party, but that is not at all my purpose. What I have tried to stress is simply that men who aspire for office in either party have a duty and obligation to tell the people what they believe.

I am reminded, Mr. President, of the birth of the Republican Party, a party that was formed in time of stress, in time of great trial in this Nation; a party which came into power because its leaders had the courage to take what were then unpopular positions, and, at the risk of their political lives, maintain their cause. I am reminded, Mr. President, of those famous debates between Lincoln and Douglas. Men did not hesitate to say what they thought.

I have referred to a man who has been severely condemned on the floor of the Senate; I do not suppose there has ever been a kind word said about him here; I have no particular reason to say anything good about him now; but some months ago when Mr. Willkie was supposed to be a candidate for the office of President of the United States, and Mr. Dewey was the other candidate, Drew Pearson, the commentator and columnist, urged that a series of debates be held throughout the country between Mr. Willkie and Mr. Dewey so that the people might understand exactly what views they entertained. I am sorry, Mr. President, that course was not followed. I think it would be a splendid thing today in this hour of genuine and mighty issues for men to take the stump and oppose each other and let the people decide which views they want to have prevail.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. BRIDGES. The Senator has been very kind and courteous and has inserted two statements of Wendell Willkie into the RECORD. I have in my hand another statement Mr. Willkie made in Omaha on April 5, and in order that the RECORD may be kept straight, may I quote to the Senator a few of the pertinent questions Mr. Willkie asked in that speech.

Mr. HATCH. May I ask that they follow my remarks?

Mr. BRIDGES. They are really very pertinent.

Mr. HATCH. Very well; go ahead; I do not care.

Mr. BRIDGES. I quote from what Mr. Willkie said in Omaha on April 5, as follows:

What is America's foreign policy?

The United States today is deeply concerned about its foreign policy.

Have we a foreign policy? If so, what is it? How does it apply to the various international problems that are already facing us? Are the noble aims expressed by Secretary Hull and President Roosevelt anything but pious platitudes?

The discontent and the unease of the American people are finding expression in just such questions as these. Their worry has communicated itself to Congress. Twenty-seven "freshmen" Republican Congressmen have laid their questions before Secretary Hull. The Senate Committee on Foreign Relations has asked him for enlightenment. The President himself has at last felt the surge of popular concern.

Before the next President of the United States has been elected, the pace of this war will have been stepped up. There are millions of Americans in the fighting services, and millions on the home front, for whom this spring and this summer may be the most decisive seasons of their lives. A man holds his breath when he thinks about this.

So it is natural that the people want to know more clearly "Why?" and "What for?" They are in the dark. It is wartime, and foreign policy does not seem to them a plaything for routine diplomats or "kitchen" cabinets. It can mean life or death to men and to nations. The people's demand for knowledge is rolling up like a great wave. It is beating against the silence of the State Department. It is lapping at the edges of White House complacency.

There are two grave charges to be brought against the political conduct of this war in Washington. I made them 3 years ago, before we were formally at war. I made them a year and a half ago when I went around the world to see the war and the people who were fighting it. And I made them a year ago when I wrote a book about the war I had seen and the fears and hopes springing from it.

I shall continue to make them—

And so on. I should like to put the entire speech in the RECORD, because it certainly is expressive when we consider that Mr. Willkie wrote the articles which the Senator put in the RECORD, and it gives one other viewpoint, and raises a series of questions about which Mr. Willkie is concerned, and it is in my judgment one of the ablest speeches Mr. Willkie ever made.

Mr. HATCH. I have no objection to the speech being put in the RECORD. I do not agree with everything Mr. Willkie says, but many things he says are illuminating and should be put into the RECORD, and I have no objection.

Mr. BRIDGES. Very well. I ask unanimous consent that the entire speech be printed in the RECORD at this point.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The speech referred to is as follows:

[From the New York Herald Tribune of April 6, 1944]

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SAYS PEOPLE ARE IN DARK

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I shall continue to make them, whether I am the Republican candidate for President or not, so long as they remain true and are festering in the minds and hearts of people all over the world.

The first charge is that the Roosevelt administration has not dealt squarely with the rest of the world in this war. It has confused our fighting allies. It has disappointed those who look to us for leadership when they get a chance to fight. It has embittered and disillusioned those who fight underground against our common enemies. This is the first charge I make—that the administration has confused the political and military conduct of the war to an extent where uncertainty has taken the place of assurance, delay, of action. This means prolonging the war and wasting lives, by not telling the world in plain terms what we stand for and what we are fighting for.

ADMINISTRATION NOT FAIR

The second charge I made is that the Roosevelt administration has not dealt squarely with the American people in this war. It has committed us to unknown policies, worked out by secret agents and in secret conferences. It has used the excuse of military expediency to cover up the letting down of people who are our friends and dealings with the Fascists who are our enemies. It has discouraged the efforts of the American press to inform us candidly of the facts of the international situation. It has bargained for votes at home on the fallacious theory that Americans vote not as Americans but as pressure groups defending the interests of cliques inside countries they or their ancestors left long years ago. This then is my second charge—that the administration is not being square with the American people, and is promoting confusion, cynicism and distrust among us.

Both these charges are grave. But they are justified. And because they are justified the Republican Party has not alone the obligation to nominate the right man this year in order to save the party; it has also the responsibility of turning the searchlight of truth upon the motives and forces which make my charges so tragically serious. The immediate goal of every American is to win the war with the least possible loss of life and save the fruits of victory. The one fruit of victory that is going to taste best in the mouths of Americans is peace—prolonged and stable peace. I ask you, as I have asked myself, How can we possibly secure this peace by following leadership which is already indicted in the hearts of most of us—whether we say it or not—on these two charges? For the administration policies which I am criticizing are not the result of accidents, or

honest mistakes. They spring from the dangerous idea that we, the American people, are not to be trusted with our own destiny.

This is the thinking of a government that even when young weakened the people by its paternalistic attitude, and now, old, tired, and cynical, attempts to keep the people weak by keeping them ignorant.

Let's consider my first charge—that this administration is not now dealing squarely with the people of the world. What is being done in Washington is so muddled, so hesitant, and so devious that it makes an easy life for the propagandists in Berlin and Tokyo.

What does a Frenchman in France, for example, or a Belgian in Belgium, or a Chinese in the conquered parts of China, or—for that matter—a Russian in the Soviet Union, think of our failure to set up a United Nations council? I have been urging it, as have others, for a very long time. It is no secret that some of our allies have been urging it. The United States is the one country with enough strength and prestige and disinterestedness to take the leadership in setting up such a body.

Yet nothing has been done. There are said to be secret commissions at work in London, in Naples, and in Washington, on regional problems. But they are more than secret. The American people know nothing of what they are doing, and apparently they keep their deliberations secret even from their own governments. Our State Department, in turn, often fails to transmit its decisions to its representatives abroad. An American official has, on occasion, walked into a conference with Allied officials to learn for the first time that an agreement had been already worked out in Washington on the subject under discussion. No one had taken the trouble to inform him. As in the whole history of our political relations with Italy during the last year, secrecy seems to be the cover for bungling or worse.

SECRECY ON TWO FRONTS

The same thing is true of the secrecy which surrounds the activities of the European Advisory Commission in London and of the Pacific War Council in Washington. These bodies may well be making serious decisions; they may even be making dangerous decisions, as the rumors and reports of enemy propaganda say. I don't know whether their decisions are good or bad, and neither do you. So it is hard for a man living on the Continent of Europe to know. And since he doesn't know, it is easy for him to believe the rumors and the propaganda and to assume that we are not working frankly through a United Nations council because we have something to hide.

This hurts us coming and going. It hurts us coming because it produces an unfriendly strain between us and our three chief fighting Allies—Britain, Russia, and China. It hurts us going because it produces fear and suspicion in the millions of people now ruled by our enemies who must some day be our allies if we are to win the war quickly and work out a lasting peace.

Take our relation to Great Britain. There is indication of unnecessary friction there. It is important for successful cooperation now and for common welfare in the future that our countries should work out their destinies in harmony with each other. But there is no natural law which ordains friendship between us and Great Britain. It behooves statesmen on both sides to guard and cherish our good relations and to set up machinery to eliminate unnecessary misunderstandings.

What has Mr. Roosevelt's administration done toward this end? We have had lend-lease for some time and recently a United Nations relief and rehabilitation organization has been set up. But whether in the oil fields of Arabia, in China, or in South America, the administration has provoked among the British distrust and suspicion of our motives.

Even when our motives are good, the methods we use seem calculated to produce mistrust. We have slowed up our decisions on questions of tremendous mutual importance to both countries, such as the recognition of the French National Liberation Committee. We have failed to consult our ally on problems in which the British have an important and historical interest. We have utterly failed to work out any machinery for political cooperation with London comparable to the military understanding which has been achieved under General Eisenhower.

When Englishmen say—as they do say today—that they cannot understand us, I cannot blame them. Yet if we had a United Nations council, meeting continually, to thresh out political problems as they arise and to accustom diplomats on both sides to seek common solutions for all problems, this distrust and this suspicion would largely vanish.

There is indication of unnecessary friction between ourselves and the Soviet Union. The Moscow agreements and the Teheran statement were brave, fighting words. They gave heart to all of us. Regardless of party, we supported them.

RELATIONS WITH RUSSIA

But what has the administration done to follow up this first step? Mr. Hull came back from Moscow and Mr. Roosevelt from Teheran, and each mile of the distance they traveled has seemed to grow longer since they returned. For Mr. Hull the trip to Moscow was an enormous success, he reported. Mr. Roosevelt's conversation in Teheran ended with the announcement that: "We leave here friends, in fact, in spirit, and in purpose."

What is the evidence of this friendship, this common purpose? In England apparently our purposes have been so little understood that we have at last had to send Mr. Stettinius over to try to smooth matters out. On the Polish question, the United States, Great Britain, and Russia seem to be further apart than ever. When Mr. Stalin decided to send a man to represent Russian interests with the superannuated general of Mussolini's staff whom we have maintained in power, London and Washington were filled with consternation. Yet we had been notified some days before the announcement. If we disapproved of it, why didn't we say so while there was still a chance to influence Mr. Stalin's judgment?

None of us knows what actually went on at Teheran. But the evidence is mounting that our relations with Russia remain pretty much as they were before our hopes were fed with bright prospects of friendship and understanding.

For we still have no machinery such as a United Nations executive council would provide, for working on the problems we face jointly with the Soviets. Yesterday, Mr. Churchill pointed out that the advance notice received by the British Government of the Soviet's purposes in entering Rumania was an example of the operation of consultation machinery set up by the Moscow conference. Where has this machinery been all this time? We need a continuing machinery. Our policy, however, friendly its intention, depends too much upon the President's disturbing facility and his liking for wangling things personally instead of using regular authorized instruments of government. It would not seem to me surprising if the Russians, who, as a nation, are accustomed to acting firmly and consistently alone, now, in their new role of ally, attribute the aloofness which still characterizes our relations with their Government to hidden hostility and suspicion, and, therefore, sometimes act with what seems to be a disregard of our common interests. A continuously functioning council of the United Nations might adjust our differences in a constructive way.

Unfortunately, however, I have seen little evidence that either the President or the State Department has even begun to use the power and the prestige of this Nation toward the creation of any such effective international machinery.

PROBLEMS IN CHINA

Much the same could be said of our treatment of China. It is no military secret that there are unsettled political problems there. When Japan has been forced back to her own islands and restricted there, China will look to the West for help in restoring her own ravaged territory. She is a proud Nation. She does not want charity. But she will have a right to ask for assistance on terms which take into consideration her great sacrifices and the enormous aid she has given to the common cause. At the same time we shall owe it to our own principles, as well as to China, to see that this assistance is rendered in such a way that it is beneficial to the healthy elements in Chinese political life. Have we thought about this problem? Have we taken steps to meet it? There is no evidence that we have.

What I have said so far applies to this administration's treatment of our chief allies. They are nations which are fighting in the field. They can press their claims in Washington. What of our treatment of the other nations of the world, again in terms of the purest self-interest? What are we doing to enlist on our side the millions of suppressed people now ruled by our enemies? What are we doing by our foreign policies to speed the day when they can take over a major role in the struggle for their own liberation?

Again, I don't know. And I am worried because, if I don't know, I don't see how they can know. And such uncertainty will not hasten the end of the war.

In north Africa and in Italy our political record is, unfortunately, there for all to see. Darlan, Peyrouton, Badoglio, and the King of Italy were not conjured up by Nazi propaganda to fool the people of Europe about United States policy. They were, as far as we know, the tokens of our sincerity in dealing with two nations which had lost their freedom. It is small wonder, is it not, that the name of the United States is now greeted with silence at meetings of Frenchmen. It is small wonder that Italians, who welcomed us with open arms as liberators, now suspect us and fail to cooperate. It is small wonder, is it not, if thoughtful men and women everywhere hesitate—bewildered, angry, confused over what they can expect from us.

These are no questions of diplomatic niceties. While Mr. Roosevelt says blandly that he has come to a decision about the French people—he, mind you, not the Allied Nations with the French National Liberation Committee—while he talks of having reached a decision, French patriots are dying at the hands of the Gestapo. While he and Mr. Churchill continue to prop up the senile monarchy in Italy, thousands of Italians in the north are striking against Hitler. While the President supports tired old Fascists in the areas our armies control, millions of Europeans are preparing to help an Allied invasion of the Continent. Is it any wonder that people all over the world are asking more and more loudly "What is this all about?"

Our State Department and the President give us big promises and talk of noble aims. But there is no leadership in Washington which makes the terrible dilemmas of modern war real and understandable to the people of the world. There is no leadership which relates our aims to our performance. I think we are justified in demanding leadership in Washington which will bring these decisions which affect all our lives out of

the depths of secret power politics into the clear light of day in some United Nations council. Then the peoples of our grand alliance can see and judge what is being decided in their name.

My second charge against the foreign policy of this administration is that it does not deal squarely with the people of this country. Mr. Roosevelt, prodded by the Nation-wide demand for information, spoke the other day in some derision of those citizens who go around asking bellhops what is the foreign policy of the United States. I am proud to claim that I have gone around asking everybody I know, including bellhops, about the foreign policy of my country. I would be even prouder if I could claim that every citizen of this country, including bellhops, knew that we had a foreign policy. This I cannot claim.

The reason is not hard to find. As a Republican, I am glad that it was Republican Members of Congress who were waiting on Mr. Hull with questions about our foreign policy at almost exactly the time that Mr. Roosevelt threw away his chances for the "bellhop" vote. But, as a citizen, I am disturbed to learn that none of these Members of Congress came away from Mr. Hull with any very clear idea of what is our policy. If they could not get it from the man who has been in charge of our State Department since the first days of this administration, I am not surprised that the citizens of the United States should be confused.

POWER POLITICS

If this administration's addiction to diplomacy behind closed doors hurts us in the world at large, it does us still worse hurt at home. If secret agents who cannot even be named produce misunderstandings with our allies, they produce confusion among ourselves. If all the chicanery of power politics demeans us in foreign eyes, it saps in us the confidence and the aggressive proud spirit which belongs to Americans by birthright.

Just as military expediency has been used by the administration to cover up deals with Fascist turncoats, so has military security been used to cover up the slow, fumbling procedures of arriving at these deals.

In the newspapers and magazines of this country Americans have one of their surest guaranties against mistakes made by their leaders. A strong democracy makes no pretense of infallibility; it asserts instead that it has the capacity to discover and correct its mistakes before they become fatal, and a free press is essential to that process.

What has our press been able to do in the field of foreign policy to carry out its traditional function of reporting, examining, and discussing? It has accomplished near miracles, it seems to me, but only against very heavy odds and with only a partial verdict in its favor to date. Mr. Hull announced the other day some 17 points which, he said, explained our foreign policy. They were so vague and general that every good editor in the land must have wracked his mind to decide how they applied to the concrete problems which beset us.

The results have not been impressive. Here we are a Nation fighting for the survival of the ideas we stand for. Yet if anyone can say today with certainty what our policy is toward the Argentine, or Spain, or Finland, or Tito, or Badoglio, or De Gaulle, he is a better man than I am. If anyone can say what is our policy toward the great French people, he must have found out with a ouija board. The questions press on us from every side. Too often, the only answer we get is that military security prevents an answer.

A TIRED ADMINISTRATION

The real reason for the silence in Washington about these pressing problems is the administration's belief that it is way ahead of the people and that the people cannot be trusted to back policies which are good for them. This belief, while not put into words by officials in Washington, is the basis of all they do. It grows stronger with long tenure of office. An administration that has become old and tired quite naturally prefers not to have to explain and justify its policies. Until election time, it figures cynically, it can afford the resultant confusion, even if the entire Nation is weakened.

All I have said makes a sorry answer to the question I started with, the question that is being asked all over this country: Have we a foreign policy? The answer is clear: Either we have none, or it is a dangerously personal one, that the President alone knows about to the exclusion of both Secretary Hull and the "bellhops"; or it is a policy which millions of Americans, if they were given the information about it that has been denied them, would repudiate as untrue to the principles of democracy.

If the war is to be won quickly and American lives saved, we need a better foreign policy. If our losses and sacrifices in this war are to be justified, we need a better foreign policy.

Our sons are not risking and giving their lives in order to support an outworn monarchy in Italy. They are not fighting in order to restore discredited kings to other countries. They are not fighting in order to make possible a deal with some renegade Nazis when Hitler has been overthrown. Nor are they fighting in order that the French people, or any other great people including our own, may be treated as a pawn in some desperate game of secret power politics.

The losses in young American lives which we have already taken and are now facing in even greater numbers can be justified only if this becomes truly a war for liberation. For if we deny those fighting for freedom in France, as this Administration is denying them now, we shall face not only civil war in that country but the repudiation here of all we thought we were fighting for. If we deny the democratic elements in Italy, as the Administration is now denying them, we shall slow up our armies and make still more terrible the task that lies ahead of us. If, in our foreign policy, we deny anywhere the aspirations of those who want to be free, as secret power politics inevitably tends to deny them, we shall be laying the groundwork for a third world war.

The American people have faith in the processes of democracy. They want a foreign policy that will affirm that faith.

Mr. HATCH. I might, Mr. President, to conclude my remarks, simply again reiterate the main thought I have been trying to express. It is that this is an hour of tremendous, strong, and mighty issues. Not only the welfare of our Nation but the peace of all the world and the hopes of all mankind may rest upon how we in this Nation discharge our duties and our obligations. Strong and mighty issues require strong and mighty men. I pray God, Mr. President, men who aspire to be President of the United States may be mighty enough and strong enough to meet the issues which today confront our country and the world.

Mr. WHERRY obtained the floor.

Mr. VANDENBERG. Mr. President, will the Senator yield? I wish to respond to the Senator from New Mexico.

Mr. WHERRY. I yield the floor to the Senator from Michigan.

Mr. VANDENBERG. Mr. President, I wish to speak only briefly.

I have yet to make my first partisan address in the Senate respecting foreign affairs and American foreign policy since Pearl Harbor. I do not intend to do so now. It is rather difficult, however, to persist in maintaining that unpartisan attitude in the light of comments such as those just submitted by the able and distinguished Senator from New Mexico, which largely devote themselves to what he believes to be our dire Republican shortcomings in respect to this issue. It is rather difficult, Mr. President, to maintain——

Mr. HATCH. Mr. President, will the Senator yield to me?

Mr. VANDENBERG. I shall yield in a moment. It is rather difficult to maintain the unpartisan level in these discussions for which the Senator from New Mexico so eloquently presumes to plead and to which I have so faithfully adhered unless the rule works on both sides of the aisle.

I now yield to the Senator from New Mexico.

Mr. HATCH. I wish to say to the Senator from Michigan perhaps something which I should have said. While I was critical of the Republican Party in 1920, and the part it played in the great battle over the League of Nations at that time, I have frequently said publicly, and I say here now, that we should not be too critical of the opponents of the League on both sides of the Chamber at that time. Those men had just seen one world war. All their experience had been with peace. They thought war was an interlude between great intervals of peace, and perhaps rightly so.

We have seen two world wars in our lifetime. We have seen war become the normal course of action, and I do not want to be unduly critical of the Republican Party, or any man associated with the battle 25 years ago, because those men had not had the experience we have had. What I am trying to do, as best I can, is to point out those things, and say, Let us profit by the experience of the past. I do not wish to make a partisan appeal.

Mr. VANDENBERG. I understand the Senator's purpose, and I have no quarrel with the very high dedication which I know is in his heart in respect to this problem. But I must frankly say that I am unable to harmonize his purpose with the address which he has just made, because it has been chiefly devoted, first, to a partisan indictment of Republicans of the past, and, second, a challenge to the Republicans of today.

Mr. President, I remind the able Senator from New Mexico that it is exceedingly dangerous to go back into the yesterdays and take ancient words from their place in history and give them isolated interpretation as of today. He may quote former platforms of the Republican Party which in his view were never validated. But, Mr. President, I give him a very pointed example of the danger and perhaps the utter injustice in any such process. I give him the example of the statement made by President Roosevelt on the eve of the 1940 election, "I tell you fathers and mothers of America again and again and again

that your sons will not be sent into foreign war."

Mr. President, I have never thrown that statement back in the President's teeth. I am not doing so now. Circumstances alter cases. Pearl Harbor created a challenge which no President and no citizen could ignore. I refer to the matter only to illustrate my point. It would be just as reasonable for me to devote an hour's excoriation to a Presidential promise to the mothers of America in 1940 that their sons would never again be sent into a foreign war, as it is for the Senator from New Mexico to file the indictment against Republicans which he has indicated here today.

Mr. President, I want it clearly understood that I do not file the indictment. It is the first time I have ever mentioned the matter in public. I do not intend to mention it again, unless it shall be unavoidable. So far as I am concerned, I do not intend now or hereafter to discuss the desperately important problem of foreign policy in terms of purely partisan politics. But I cannot sit silent in the face of less restraint across the aisle, and in the presence of the suggestion from that source that there is any lack of dependable loyalty and devotion to the great objectives of a lasting peace not only upon the Republican side of this Chamber but in the patriotic Republican hearts of this country, and in our Republican soldier sons who stand in the trenches and tread the valley of the shadow with their brethren in arms. I cannot allow the suggestion to pass that there is any less devotion to the ideals of the Republic among us who are Republicans than among those who are Democrats.

Mr. President, I am very proud of the record of the Republican Party during these desperately critical months in respect to foreign policy. The most forthright statement on foreign policy that has yet been made, the first formal announcement of its sort upon any basic political authority was made by last September's conference of the Republican Party at Mackinac Island, in its Mackinac charter. There could be no more forthright statement than this paragraph, which I proudly read:

> We consider it to be our duty at the beginning of our work * * * to declare our approval of the following:
>
> 1. Prosecution of the war by a united Nation to conclusive victory over all our enemies, including—
>
> (A) Disarmament and disorganization of the armed forces of the Axis.
>
> (B) Disqualification of the Axis to construct facilities for the manufacture of the implements of war.
>
> (C) Permanent maintenance of trained and well-equipped armed forces at home.

And then this, the kernel of the whole statement:

> Responsible participation by the United States in post-war cooperative organization among sovereign nations to prevent military aggression and to attain permanent peace with organized justice in a free world.

Mr. President, I submit that not even the able and eloquent Senator from New Mexico could assert an American dedication to post-war peace and to post-war termination of military aggression around this world; not even he could mobilize in one sentence a deeper, more eloquent pledge than that. It was acclaimed from coast to coast and all around a grateful world. It is our sturdy answer to those who would seriously inquire our attitudes.

Mr. President, the able Senator from New Mexico is worried about where the possible Republican candidates for President may stand upon this issue. I do not know who the Republican nominee for President is to be. It is probably conservative to say that he will be one of at least two Governors. Both those Governors stood upon their feet at Mackinac, when the roll was called upon this declaration, and gave it their unequivocal faith. Let that assuage any anxieties upon this score.

I appreciate the solicitude of the Senator from New Mexico for our Republican situation. I am not at all worried about the ability of the Republican Party at Chicago to assert itself so that no American can misunderstand, and I venture the prophecy that the platform which the party adopts at that time, and the subsequent fidelity to it of its candidate for President, will leave no room for doubt that we stand incorrigibly for victory against all our enemies, that we stand for an effective cooperation among the Nations of this world for post-war peace, and for the termination of military aggression, and that at the same time we stand for a just peace which shall implement those major promises of the Atlantic Charter, which I fear have become in part too dim and may be fading, and that no American will misunderstand that our pledge and our performance will be in complete fidelity to the enlightened self-interest of our own sovereign United States in respect to effective world cooperation.

Mr. President, having said that, I want to announce that at a time when 10,000,000 of America's sons are offering their precious lives for freedom, I shall not again be drawn to my feet in the Senate Chamber, unless the circumstance be far more aggravating than it is today, to discuss the foreign policy of America in terms of partisan politics.

Mr. VANDENBERG subsequently said: Mr. President, in connection with my recent brief remarks I quoted from the Mackinac charter. At the suggestion of the able Senator from Vermont [Mr. AUSTIN] who played a very large part in the achievements at Mackinac, I wish to add, for the RECORD, the final paragraph from the Mackinac charter:

> The council invites all Americans to adhere to the principles here set forth to the end that our place among the nations of the world and our part in helping to bring about international peace and justice shall not be the subject of domestic partisan controversy and political bitterness.

Mr. HATCH. Mr. President, I regret the statement made by the Senator from Michigan at the conclusion of his remarks, because I firmly believe that now is the time to discuss these matters. Equally firmly do I believe that if discussion of them is postponed until after the war is over, again we will do just as we did 25 years ago. I want just such expressions as the Senator from Michigan has made, They are fine expressions. They are statements of a determined purpose. That is what I want. That is what I was talking about. I have not criticized the Senator from Michigan. I have not criticized a single Senator on the other side of the Chamber. Among Senators on the other side I see sitting just behind the Senator from Michigan the Senator from Vermont [Mr. AUSTIN], who has taken his position as strongly as a man can take it. That is what I want. That is what I think is fair to the electorate of this country. I wish every Member on both sides of this Chamber, every Member in the House, and every public official of the United States, as well as everyone who aspires to office, would take a similarly strong, positive stand, for then the people could make their rightful choice.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. BRIDGES. The Senator has indicated quite generally his own belief, and he has listened to a very able response by the senior Senator from Michigan [Mr. VANDENBERG] but the Senator from New Mexico would make a great contribution to the country if he could produce from Mr. Roosevelt a definite and a clear-cut statement of peace aims, and produce it now.

Mr. HATCH. If I may say to the Senator, I have already discussed that question, and I think the President's position is clear. I think it has been stated by his actions and by the things he has stood for throughout the years. I think it has been stated by the Secretary of State, Mr. Hull, who speaks for the administration. I think it has been stated by the chairman of the Committee on Foreign Relations, the Senator from Texas [Mr. CONNALLY]. I do not think there is any doubt about that position. If there is an honest doubt in the mind of any man, I would join the Senator from New Hampshire and say, "Let us terminate the doubt."

Mr. BRIDGES. If the Senator will yield further, I will say for his information that there is a doubt in my mind, and, in my judgment, doubt exists in the minds of most people in America today as to just where the President stands specifically on the question of peace aims.

Mr. WHERRY obtained the floor.

Mr. CONNALLY. Mr. President, I wish to say something on the matter under discussion, if the Senator from Nebraska will be good enough to yield.

Mr. WHERRY. I yield.

Mr. CONNALLY. I did not happen to be in the Chamber when the Senator from New Mexico made his first statement. I entered the Chamber while the Senator from Michigan [Mr. VANDENBERG] was discussing the question.

Mr. President, as I indicated yesterday in some remarks I then made, I very much hope that the effort of our country to take a leading part in the establishment of machinery for the preservation of peace and for the prevention of ag-

gression will not take on any partisan or political tinge.

Of course, every Senator and every other citizen will have varying views as to the details of such a plan. But today we are engaged in the greatest military struggle that the pen of the historian has ever recorded. Men who enter the Army of the United States and who die on foreign battlefields do not die as Republicans or Democrats or Progressives or Socialists. They serve in the Army of the United States as Americans. If the United States is to be successful in its leadership, and if the problem of establishing adequate peace machinery is to be solved, those results must be brought about by a united people.

I hold in my hand the so-called Connally resolution which was adopted by the Senate on November 5, 1943, and I ask that it be incorporated in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CONNALLY. The Connally resolution was adopted by the Senate by a vote of 85 to 5.

Mr. President, the Senator from New Hampshire, it seems to me, would inject a little partisanship in the questions which he propounded. Let me say that there is no statesman in the world, there is no citizen in the world who at this moment can look forward into the years and decide all the issues which will be raised around the peace table. We cannot settle today or tomorrow or the next day the question of bundaries in Europe which will come before the peace conference. We cannot settle those questions because the war is still raging, and they must in their very nature await the termination of hostilities. Whoever would interject them now would be throwing obstacles, digging tank ditches, and erecting barbed wire and all sorts of entanglements in the way of those who would settle these great international problems.

Mr. BRIDGES. Mr. President——

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Texas yield to the Senator from New Hampshire?

Mr. CONNALLY. I yield.

Mr. BRIDGES. Does the Senator feel that it will be throwing obstacles and erecting barbed wire and other entanglements in the way of a successful prosecution of the war if we state our peace aims definitely today?

Mr. CONNALLY. Mr. President, we can state a peace aim or hope in a general way.

Mr. BRIDGES. No; I mean completely.

Mr. CONNALLY. Completely? Very well, let us see how logical that would be. The Senator from New Hampshire desires that we state our position on every controversial question which will reach the peace table. He ought to know how improper and how illogical that would be. We would immediately become involved in ancillary quarrels perhaps with some of the nations with whom we are now cooperating in the war. We would stir up disturbance in other countries which are perhaps not parties to the war, and it would absolutely retard and impede and interfere with the war effort itself.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. CONNALLY. I will yield to the Senator, but I do not want to carry on a sewing-circle discussion. The Senator from Nebraska [Mr. WHERRY] is becoming a little impatient.

Mr. BRIDGES. I wish to say, if I may, that I do not agree with the Senator from Texas.

Mr. CONNALLY. I thank the Senator.

Mr. BRIDGES. Very well. I accept the thanks. [Laughter.] But I wish to say that I think the Senator was absolutely wrong when he said that we should not today definitely discuss peace aims. I think it is a sad story for America and a sad story for the world that we cannot today frankly discuss what we are fighting this war for, and set forth in unmistakable language our definite peace aims.

Mr. CONNALLY. In looking into his private crystal ball, the Senator may be able to see the solutions to all problems and the roadways that ought to be trod by all the nations in arriving at decisions respecting the multitude of questions which will come before the peace conference. The Senator from Texas does not profess any such vision or any such knowledge. If we were to try to settle those questions now, it would perhaps mean that they would not be settled at all. I doubt not that conversations are going on between the chancelleries of the nations involved—at least those of the United Nations—in the way of a general outlook on many of these matters, but they are not seeking to arrive now at definite conclusions and decisions. If when a conference is held we should call in the newspapermen and publish to the world what was happening in the conference, it would probably be the last conference we would have, because other nations would not want to confer with a nation which, immediately after a meeting was held and prior to a final agreement and a settlement, publicized everything that had occurred.

Mr. President, this question is greater than political parties. It is greater than the Democratic Party. It is greater than even the Republican Party. It is greater than the Socialist Party, or the Progressive Party. This is a great world problem, and I do not wish to treat it from a "peanut" attitude. I believe that most of the leaders in the United States in all political parties, unless it be some of the "fringe" societies, favor the general principle of the establishment of a league or organization for peace, and to suppress aggression. Why not struggle with this problem as Americans? Why should we not mobilize all our forces of mind, intellect, soul, and spirit, rather than to be whispering, "What is going to be the Republican attitude?" or "What is going to be the Democratic attitude?" There ought to be an American attitude.

I have heard the Senator from Michigan [Mr. VANDENBERG] read his pronouncement with respect to the conference at Mackinac. I have no fault to find with it, so far as it goes. I might go a little further than the Mackinac charter. I might differ with some of its details; but I rather think it was an unfortunate thing. For the party to meet and organize and set up its own formula might be regarded as a little unfortunate; but I welcome such declarations, and I hope that Republicans will not divide on partisan considerations. They did not divide on partisan issues when the so-called Connally resolution was adopted. They have not been dividing on partisan or political considerations in the conferences which we have held with the Secretary of State.

Mr. President, now is a critical moment, because the United States is taking the lead. I think I am authorized to say that it has already submitted a general outline and framework of a peace organization to some of our associates among the United Nations, in the hope that they may reach some general agreement and work out the details at a later date.

Mr. President, let us not smear this effort by political debates. Let us not obscure our vision and cloud our outlook by trying to label it and stamp it as Republican or Democratic, but let us face this problem and solve it, and give the world leadership.

The greatest memorial we could erect to the brave men who will have shed their blood in this conflict, and to the heroes who will have laid down their lives, would be the establishment of an organization dedicated to the prevention of wars in the future, the preservation of peace, and the mastering and chaining of the cruel monsters who plunge the earth in blood. Such a memorial would be better than bronze or marble. Marble is so cold that it could never picture the fire and the dash of battle. Bronze is so voiceless that it could never adequately express the gratitude of a nation.

Such a memorial would reach beyond the towering obelisks of granite and stone. It would pierce even the skies if we could set up such an organization for the safety of the world, and establish a refuge from aggression, not for Republicans, not for Democrats, but for all the nations of the world—a refuge from attack by military might or by evil forces that seek to destroy liberty and freedom everywhere.

Mr. President, that is the meaning of this program. It does not comprehend the narrow boundaries of nations. It envisions the far-flung corners of the world. It contemplates not the safety of a group of individuals but the safety of whole peoples and of the world at large. If we will but embrace it and succeed in its establishment in the world, this is a project worthy of the great nation which we represent. It is particularly appropriate that the United States of America should be the progenitor of such an organization.

Our own past history, colonial and constitutional, for 300 years, is a romance in the march from individual hardship to political liberty and to a great state of prosperity. On this continent we have exemplified the undying principles of

constitutional government and representative institutions. Today they are the goal of all nations of the earth which desire liberty and freedom. Today on this globe we symbolize, for the moment, at least, the ultimate in free government. If the United States is not a worthy sponsor for such a program, then there is no worthy sponsor.

Mr. President, I feel that we have a particular destiny in this world. I feel that, as we have achieved these high and responsible functions in the world as a nation, we cannot afford to wrap ourselves in the cloak of satisfaction, but that we owe to the peoples and nations of the earth leadership toward the general achievement of these lofty and noble objectives.

That, Mr. President, is the project which I envisage, far beyond political considerations, reaching far beyond the boundaries of any state.

I thank the Senator from Nebraska.

EXHIBIT 1

Senate Resolution 192

Resolved, That the war against all our enemies be waged until complete victory is achieved.

That the United States cooperate with its comrades-in-arms in securing a just and honorable peace.

That the United States, acting through its constitutional processes, join with free and sovereign nations in the establishment and maintenance of international authority with power to prevent aggression and to preserve the peace of the world.

That the Senate recognizes the necessity of there being established at the earliest practicable date a general international organization, based on the principle of the sovereign equality of all peace-loving states, and open to membership by all such states, large and small, for the maintenance of international peace and security.

That, pursuant to the Constitution of the United States, any treaty made to effect the purposes of this resolution, on behalf of the Government of the United States with any other nation or any association of nations, shall be made only by and with the advice and consent of the Senate of the United States, provided two-thirds of the Senators present concur.

Mr. WHERRY. Mr. President, I thank the distinguished Senator from Texas for his very pertinent remarks. Before I take up a subject which involves a domestic issue, and not one on the foreign front, I wish to express to the senior Senator from Michigan [Mr. VANDENBERG] my profound gratitude for the statement which he has made today on the floor of the Senate. His statement was in keeping with the dignity and the true characteristics of a great American who, during all these months, has declined to drag the foreign policy of our country into partisan politics. As one Member of the minority, I am proud that we have such an able representative on the Foreign Relations Committee as the distinguished senior Senator from Michigan. I am proud of the fact that earlier today, after the distinguished senior Senator from New Mexico [Mr. HATCH] began to deliver a nonpolitical speech, but subsequently indicted the Republican Party, and then nominated President Roosevelt for a fourth term, a Member of the minority rose and with great dignity stated, though rather reluctantly, the position which all of us on this side of the aisle have so much wanted to hear him set forth, in order that he might defend, not the Republican Party, but the position which every American might well take with reference to the foreign policy of this country at this time.

Recurring to a domestic issue which I think is very important——

Mr. HATCH. Mr. President, will the Senator yield?

Mr. WHERRY. Mr. President, let me say I have tried my best to submit these remarks for at least 2 hours, and I should like to make them now. Then I shall be glad to yield to the Senator from New Mexico.

LABOR PROGRAM OF WAR MANPOWER COMMISSION

Recently War Manpower Commissioner Paul McNutt announced a labor program allegedly for the purpose of meeting, as he said, "the increasing demands for male labor in the heavy critical industries."

His release of June 4, 1944, certainly proposes to allot manpower to the places where it is most needed. In that respect I wish to commend him. He expects to accomplish that result by a system of priority referrals and, second, by holding all workers in critical and vital industries. This priority referral program is one which depends upon, he says, "the cooperation of employers, who," as he stated in his release, "may hire male employees only from those referred by the Manpower Commission's United States Employment Service or in accordance with arrangements approved by the United States Employment Service."

In reviewing Mr. McNutt's release, it is apparent that it is his desire to effect voluntary cooperation on the part of both the workers and the employers. In that respect I certainly wish to commend him for the program. But from the language attributed to Mr. McNutt in the release, from the language of the release, and from the explanation he made of the act, which I heard in the meeting he provided for us, it is certainly a fair assumption that if this labor priority referral program does not work on a voluntary basis, then it must rely upon compulsion.

At the time when that program was elucidated and explained by War Manpower Commissioner McNutt to a group of Senators, I asked him the question, "Governor, in the event the voluntary provisions of this program fall down, what do you expect to do to enforce the provisions of the program?"

He replied, "The only thing we could rely upon then would be compulsion."

I asked him, "Upon what legal authority can you assume such compulsion to conscript labor, if your program does not work in a voluntary way?" He said he felt he had none.

I asked, "How do you expect to use it?"

He replied, "First, by the priorities on labor; second, by withholding priorities for materials from employers; and, last, by suggesting that all benefits and advantages such as social security, unemployment insurance, and so forth, be used to force laborers to accept the jobs to which they want them to go."

Because of that statement, on June 6, 1944, there was published in the Omaha World Herald an editorial which refers to the various phases of this program. It is not only a literary gem, but the argument contained in it is very logical. I ask unanimous consent to have it printed in full in the RECORD as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BY EDICT, OR BY LAW?

Congress, since the beginning of the war, has consistently played horse with the duty of establishing by law a definite labor policy.

Such labor policy as obtains is established chiefly by Executive caprice and favor. And this policy is foggy, incoherent, and inconsistent, except for the general assumption that employers have no rights which Government need respect.

And this tends inevitably toward a condition in which labor, too, begins to feel that its rights and interests are imperiled.

It is so now with respect to Paul McNutt's seizure of control, as War Manpower Commissioner, over male labor above the age of 17 years.

"The Government," complains a spokesman for the Illinois and Chicago federations of labor, "has not shown there is any need to withdraw from the worker the freedom to seek his own job as he sees fit to seek it. * * * Only 3 weeks ago McNutt testified that there was no need for national-service legislation, and that any such law should be enacted by Congress, and not be put over on the people by administrative edict."

The regional director of organization for the A. F. of L. in Chicago declares the McNutt order amounts to regimentation and brands it as "uncalled for, inadequate, and unnecessary."

When last January the President asked Congress for a National Service Act, it was opposed in and out of Congress, and by both labor and management, as calculated to establish bureaucratic domination over civilian men and women workers. That opposition has continued—but, so far as Congress is concerned, as opposition only. Nothing affirmative and definite has been attempted by a drifting and timid Congress. Now, by edict, McNutt becomes, in the words of one labor leader when opposing the national-service proposal, "God Almighty, determining what plants and areas would be supplied with draft labor."

It is not to the point now to discuss the merits or the needs of a National Service Act. The point is that, if military considerations clearly require it, then it should come as an act of Congress after free and careful consideration, and not be imposed under another name by Executive action.

For it is in just this way, due to the creeping paralysis of Congress, that Executive power grows by what it feeds on, supplants government by law, and approaches ever more surely toward a one-man absolutism.

From that all citizens, including workers and employers alike, must surely suffer. And suffer not alone economically, but in the far more important respect that distinguishes self-governing freemen from tyrannically governed subjects.

Mr. WHERRY. Mr. President, President Roosevelt advocated a national-service law, and Members of the United States Senate have advocated a national-service law. The suggestion has met with considerable opposition. There has also

been much said recently about the drafting of IV–F men and their assignment where needed in essential industry. Much opposition has also been expressed to such a policy as being only another means of invoking the provisions of a national-service act.

Now we have the War Manpower Commission, in my opinion without constitutional or legislative authority, invoking the necessary provisions of any national-service legislation which might be enacted, and we find the War Manpower Commissioner effecting just such a program. If this plan works on a voluntary basis—and I hope it does, and I shall give my support to it—then of course we shall commend the War Manpower Commissioner for such a program. But the moment the War Manpower Commissioner attempts it by using one directive against another, by withholding priorities of materials from employers, in order to force them to do thus and so, then he is by edict compelling the conscription of labor, without legislative authority.

The question I am raising is not whether it is my opinion or your opinion, Mr. President, that we should have conscription of labor. That in itself has been provided by bills which have been introduced, but have not yet been brought to the floor of the Senate. But I say when the time comes that compulsion is used, then once again by Executive order the legislative function of Congress will have been overridden.

What the War Manpower Commissioner and the administration should do is come in the front door of the Capitol and persuade some Senator to bring up on the floor of the Senate one of the bills referring to the conscription of labor, and see what Congress thinks about conscripting the labor of the country. When that time comes, I shall be glad to see to it that compulsion is not used unless it is backed up by legislative authority of the Congress of the United States.

Now, Mr. President, I am glad to yield to the senior Senator from New Mexico.

Mr. HATCH. Mr. President, if the Senator has finished, I think I shall take the floor in my own right.

Mr. WHERRY. I yield the floor.

Mr. HATCH. Mr. President, a short time ago the very able and distinguished senior Senator from Michigan [Mr. VANDENBERG] addressed the Senate. I am sorry he is not now present. I told him what I would put into the RECORD, so he is not unadvised.

He referred to a speech made by the President of the United States in Boston. It was to be implied from his remarks, as well as from the subtle propaganda which has been spread over the country, that something President Roosevelt said in his Boston speech violated his subsequent acts; in other words, that he had deceived the fathers and mothers of America.

I give the Senator from Michigan full credit for saying he did not wish to inject such a thought into this debate; but as a matter of fact he did inject it into the debate; he did mention it; and he implied that Mr. Roosevelt had said something at Boston which was contrary to subsequent actions.

So I sent for a copy of the Public Papers and Addresses of Franklin D. Roosevelt, volume 9. I shall read first from the speech he made at Boston, because that is the speech which those who would attempt to cast reflection upon the President so frequently have used.

Here are the President's exact words. The President said at Boston—I read from page 517, if anyone is interested:

> And while I am talking to you mothers and fathers, I give you one more assurance. I have said this before, but I shall say it again and again:
>
> Your boys are not going to be sent into any foreign wars.

That ends the quotation, Mr. President, with all the implications which those who oppose the President seek to draw from it. There are other statements of the President which I shall later read, but I have chosen this one because it has been criticized on the ground that he assured the fathers and mothers of America that their sons would not be sent abroad to engage in foreign wars. I declare on the floor of the United States Senate that the pledge of the President has been kept. The sons of America have not been sent abroad in foreign wars. The youth of this land fight and die today in no foreign war. This war is our war. It is a war of the Republicans and the Democrats alike. It is a war of America. It is not a foreign war.

Why did the President use the words "foreign war"? Oh, I remember so clearly, Mr. President, how I sat in the Senate day after day and listened to arguments to the effect that the boys of America would be sent abroad to engage in every war between foreign nations—in wars in which we would have no interest. President Roosevelt assured the fathers and mothers of America that if their sons were sent abroad it would be to fight America's war. Are they not now fighting America's war? A vote was taken in the United States Senate with reference to entering into the present war. Senators made declarations. I made them and I meant them. I would never have consented to send our sons to fight the battle of someone else. Ninety-six Senators—if there were that many present—voted for the declaration of war. They were not voting to send the sons of America into foreign wars. They were voting to send the sons of America to fight America's war. I hope, Mr. President, that never again will anyone draw such an invidious and despicable inference from what the President of the United States said in Boston.

I did not quote all that he said. I have before me a copy of another speech which he made. I recall it very well because I was a member of the resolutions and platform committee of the Democratic Party at Chicago. I remember that there were those who urged that under no circumstances should America's soldiers be sent abroad. I recall quite clearly the firm stand which was taken by the President against such a resolution. I reveal no secrets when I say that the President said in effect, "Why, certainly I agree that American soldiers shall not be sent abroad." But he added, "except in case of attack."

Mr. VANDENBERG rose.

Mr. HATCH. I have recently read what I have already shown to the Senator from Michigan, and I have drawn the conclusion that when the President referred to foreign wars he meant foreign wars. We are not now engaged in a foreign war. We are engaged in America's war.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. VANDENBERG. I do not understand that the Senator has challenged the accuracy of my quotation. I believe I quoted the President precisely as the Senator has read.

Mr. HATCH. I am not quite sure about the quotation, but I showed it to the Senator from Michigan, and he agreed that it was correct. It was the quotation to which I have referred, and I am sure the Senator from Michigan intended accurately to quote it. If he did not do so it was due to a failure of memory.

Mr. VANDENBERG. I think I quoted it accurately, Mr. President. The only word that might have been omitted was the word "foreign." From my point of view that word would be the last one which I would wish to omit at that point.

Mr. HATCH. I doubt that the Senator omitted it. I wish to make it clear that I was not referring to the Senator from Michigan when, before he entered the Chamber, I said that I hoped never again would such an invidious or despicable statement be made as had been made, that the President's promise had been violated when he said that. I have not charged the Senator with that statement. It is invidious and more or less despicable, but I certainly did not apply it to the Senator from Michigan.

The Senator previously reminded me that we cannot take isolated cases in history. I was not doing so, but I had referred to what took place at the Democratic Convention and the fact that the President himself stood out for the words "except in case of attack."

I now read from another speech made by the President in his campaign. It is to be found in volume 9, at page 495. He said:

> We are arming ourselves not for any purpose of conquest or intervention in foreign disputes.

I think the President was exactly right. At least his statement expressed my theory. I voted for all measures to prepare this country for war, not from the standpoint of intervening in any foreign dispute but purely from the standpoint of defense.

On this subject the President said:

> We will not participate in foreign wars.

That was a flat declaration. It was a repetition of what he had said at Boston, although this statement was made first. In effect he said, "We will not intervene. When two foreign nations get into a war, let them fight it out."

Then he said:

We will not send our Army, naval, or Air Forces to fight on foreign lands except in case of attack.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. LUCAS. The statement which the Senator from New Mexico has read is one which many persons fail to remember. Those who are inclined constantly to attack the administration because of the phraseology which the Senator has read, always, either through ignorance, or through willfulness, fail to include the entire statement which the President made. That statement was carried out in the platform of the Democratic Party in 1940, while the Republican platform was completely silent upon the subject.

Mr. HATCH. I have already mentioned that point. I was a member of the platform committee, and I remember quite well, as I stated a moment ago, that there were members of our committee who flatly insisted on a resolution that under no circumstances would our sons be sent abroad.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. VANDENBERG. I see no utility in extending the argument, but I wish to refer to the observation made by the Senator from Illinois.

The two quotations which the Senator from New Mexico gave were taken from different speeches, were they not?

Mr. HATCH. One was taken from the speech made at Boston, and the other was taken from a speech in Philadelphia.

Mr. VANDENBERG. It is not true that it is a failure properly to quote the President to say that he said, "I tell you again and again and again that"——

Mr. HATCH. "You fathers and mothers"——

Mr. VANDENBERG. "You fathers and mothers, that I will not send your sons into foreign wars."

Mr. HATCH That is correct.

Mr. VANDENBERG. The qualifying phrase "unless we are attacked" came from a different speech, and I assumed from the observation of the Senator from Illinois that he was accusing anyone of being dishonest who quoted the President's speech without adding the phrase "unless we are attacked," which was a part of a totally different speech.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. LUCAS. It was during the campaign of 1940 that the Boston speech was made.

Mr. HATCH. That is correct.

Mr. LUCAS. There can be no question that the President made the statement not only once, but twice.

Mr. HATCH. Yes.

Mr. LUCAS. Notwithstanding the policy which was laid down at that time by the President of the United States, I assert that he is continually being misquoted. Those who want to take all the speeches that the President made upon foreign policy—and that is the only way it can be ascertained what he actually meant—are doing the President of the United States a disservice by referring to a single quotation without adding to it what the President said in his Boston and other speeches.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. VANDENBERG. The Senator just said exactly what I undertook to say in the remarks I made to the Senate a short time ago. The quotation to which I referred and everyone who heard me knows I said it—was used solely to prove the precise point the Senator from Illinois now makes. What I was objecting to about the speech of the able Senator from New Mexico was that he had taken isolated sentences out of ancient Republican history and had endeavored to base an indictment upon those quotations, whereas if the whole story be told in each instance the net result may be precisely as indicated by the Senator from Illinois with respect to the quotation of the President regarding foreign policy.

Mr. HATCH. Mr. President——

Mr. VANDENBERG. That is the reason why if the Senator from New Mexico will permit me I prefaced my quotation by saying that I had never made it heretofore in public, that I never intended to make it again, and that I do not believe in that sort of quotation.

Mr. HATCH. I may say that I hope the forthright, straightforward statement made by the Senator from Michigan that he would never again use that statement may be taken to heart and that the dire implications which he did not make will never be made by others in this campaign.

I have no disagreement with the Senator from Michigan; we get along very well; but I did want to make the RECORD clear. I wanted the RECORD today to show that Franklin D. Roosevelt had not violated any promise he had made to the fathers and the mothers of the sons of America. He did exactly what he insisted upon doing in Chicago when he said that our sons would not fight in foreign wars. They are not fighting in foreign wars; they would not have fought if it had not been for the cowardly and dastardly attack at Pearl Harbor, and it ill behooves any Member of this body who voted for war to say that the President of the United States has done something he should not have done, because the responsibility for declaring war lies here in the Congress of the United States. We assumed that responsibility rightly, and today it lies in the mouth of no man to criticize the President of the United States.

APPROPRIATIONS FOR DEFENSE AID (LEND-LEASE), U. N. R. R. A., AND FOREIGN ECONOMIC ADMINISTRATION

The Senate resumed the consideration of the bill (H. R. 4937) making appropriations for defense aid (lend-lease), for the participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, and for the Foreign Economic Administration, for the fiscal year ending June 30, 1945, and for other purposes.

The PRESIDING OFFICER. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 10, line 7, after the word "exceed", to strike out "$325,000" and insert "$357,200."

The amendment was agreed to.

Mr. McKELLAR. Mr. President, on behalf of the committee, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 7, after line 8, it is proposed to insert a new section, as follows:

SEC. 202. In addition to the sum appropriated by section 201 of this title, any supplies, services, or funds available for disposition or expenditure by the President under the act of March 11, 1941, as amended (22 U. S. C. 411–419), and acts supplementary thereto, may be disposed of or expended by the President to carry out the provisions of the act of March 28, 1944, without reimbursement of the appropriations from which such supplies or services were procured or such funds were provided: *Provided*, That the supplies, services, and funds disposed of or expended under the authority of this section shall not exceed a total value, as determined under regulations to be approved by the President of $350,000,000 and shall be charged to the amount authorized to be appropriated by said act of March 28, 1944: *Provided further*, That the authority granted by this section shall not become effective until the United States Joint Chiefs of Staff shall have issued a certification that the state of the war permits the exercise of such authority and the utilization of lend-lease supplies, services, or funds for the purposes of section 201 of this title; and after such certification such utilization shall be upon the determination of the Administrator of the Foreign Economic Administration.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. VANDENBERG. Mr. President, I should like to be sure that I understood the text of the amendment. There is no question, is there, I will ask the Senator from Tennessee, that this transfer from executive funds applies against the total authorization for U. N. R. R. A. in the original resolution?

Mr. McKELLAR. That is correct.

Mr. VANDENBERG. Therefore, this is in no sense different from an ordinary appropriation, except that it uses existing funds instead of new ones.

Mr. McKELLAR. The Senator is correct.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CONNALLY. Why was it decided to use the funds of lend-lease rather than a direct and specific appropriation? Was it for the purpose of making it conditional?

Mr. McKELLAR. Yes, the conditions might change, so that it is better to write the provision as it has been drafted.

Mr. CONNALLY. As I understand, it is also conditioned on the action of the Chiefs of Staff, so that, unless they make proper certification, the money cannot be obtained from lend-lease funds. Is that correct?

Mr. McKELLAR. That is true. Every safeguard was thrown around it by the committee.

Mr. CONNALLY. I should like to say that personally I do not like the system of transferring funds from one agency to another. I think the sounder system

is for the Congress to make direct appropriations for an agency rather than to say an agency may obtain money from some other funds.

Mr. McKELLAR. Ordinarily, that is true, I will say to the Senator, but in this case there was a different situation, a different set of facts, and, under the circumstances, the committee thought it best to take the course proposed to be taken.

Mr. President, at this point I desire to have inserted in the RECORD an article entitled "Lend-Lease in Attack Vanguard," written by a staff correspondent of the Christian Science Monitor.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LEND-LEASE IN ATTACK VANGUARD

WASHINGTON, June 6.—D-day.

The greatest production miracle in the history of mankind preceded the invasion announced today.

No country ever before even contemplated the production record which the United States achieved, and which is now the mainspring of the drive to crush Germany.

The mainspring of lend-lease has been winding tauter and tauter in the British Isles for the past 2 years. Now release has come, and its coiled energy will spring forward inexorably until its task is finished.

Those who saw a small part of the stored goods prepared for the invasion adventure were unable to express their emotions save in parables.

BRITISH ISLES "SINKING"

"The British Isles are slowly sinking under the weight of the accumulated invasion stores," one commentator ejaculated.

A few weeks ago Leo T. Crowley, Foreign Economic Administrator, disclosed that 28,000 planes alone were sent abroad to America's allies between March 11, 1941—the date when the Lend-Lease Act was passed—and January 1, 1944.

More than $1,600,000,000 worth of aircraft engines and parts went abroad.

It is on lend-lease that the superstructure of America's military machine is built. French and British, and later Russian, orders put American industry in a position of war production.

Since March 1941 America has organized the greatest Army and Navy air forces in the world.

ONE HUNDRED AND FIFTY THOUSAND AIRPLANES

America has turned out 150,000 airplanes.

For months past not only trained American troops have been poured into the British Isles, but the massed might of America's industrial power, converted to military uses, has been concentrating there.

Now this gigantic invasion equipment has begun to move.

Months and years of preliminary production by the most highly industrialized power on earth have gone into the final order to advance.

The sheer massed weight of America's armament, combined with the British, may push obstacles aside, strategists hope.

HUGE AIRCRAFT OUTPUT

Mr. Crowley told Congress recently that $460,000,000 worth of lend-lease aircraft engines and parts were sent to the United Kingdom alone, down to January 1.

An additional $240,000,000 went by direct cash purchase.

Millions of gallons of high-octane aviation gasoline power the thrust. Lend-lease steel, lend-lease explosives, barges, gliders, road rollers, cranes, bulldozers, let alone prime movers, tanks, half-tracks, and all the panoplied articles of war, are moving today.

It's not merely the soldiers who are going ashore on the continental beachheads in the great invasion drive!

It's the miners who took the ore, the drillers who brought in the oil, the men at coal seams, the big-muscled men with foreign names who puddled blazing steel. It's their invasion, too.

The invasion drive is the Army and Navy, plus all America.

It's the farmers who milked the cows that made the cheese for the soldiers' rations; it's the women who loomed the clothing and Army blankets that will be spread on wet ground, it's the office workers who untangled the paper work, the brakemen who manipulated the troop train, the telephone girl who put in the last long-distance call from the doughboy back home to Mom, before he went overseas.

GREATEST BATTLE IN HISTORY

They are all here today in the greatest battle in American history. Britain and the United States open the second front and they are there, too.

Only hints have come of the exact amount of goods stored in Britain. But anyone in America is blind who does not have the first-hand experience of its preparation. Factory windows have blazed all night. Ship after ship has taken the water. Firms have energetically advertised for help. Great supply depots have appeared outside cities, and have dwindled as their stored-up military power went overseas.

Down to January 1 of this year Americans have been told that $20,000,000,000 in lend-lease aid have been extended to the Allies. But this only begins the story.

The lend-lease aid has been, in a sense, surplus—that could be expended out of America's extravagant productive ability while America's own armies were built up, fed, equipped, trained, and finally moved overseas. Of the total the figures roughly show that 43 percent of lend-lease has gone to the United Kingdom forces. Much of this is being thrown into the struggle now.

AMERICA CHANGED

But aside from this, the whole face of America has been changed by war production for America's own forces.

Now the time of testing has come.

Are the boats seaworthy that take the men across? Are the weapons balanced to the touch? Does that rubberized raincoat shed water? Are those camouflaged nets well and securely tied? Did the girl who folded that silk parachute do her job faithfully? Are those gliders for air-borne troops properly engineered? Are those prefabricated barracks nailed securely? Is the ammunition sound and lively? Do those reeling antiaircraft guns shoot truly? Now is the testing time. It is too late to do anything much now but hope and have faith. Americans at home who built the road for invasion are confident their battle forces are the best-equipped in the world.

Under Lt. Gen. Omar Nelson Bradley, American ground troops will meet the Germans in direct combat, with the equipment the American Nation has poured out profusely. The result of the encounter determines the length of the war in Europe. An army of 1,000,000 Americans may be engaged. But into the equipment of this Army has gone the work of 20 times that number, and the supplies range anywhere from the butter ball on the side of a first sergeant's platter to a 2-ton bomb carried at 10,000 feet in a Flying Fortress.

ARMY REQUIRES CARE

An army is like a city; it has to be fed, clothed, transported, provided with shelter, warmth; it needs utilities like fresh water, right up to the front-line trenches; it has to have postal services, or its morale sags like a wilted collar.

An army moves on gasoline, and it is significant that to date $670,000,000 worth of petroleum products alone have been shipped under lend-lease, while perhaps a figure comparable to that has gone to the American invasion army itself. Tankers have brought gasoline to the British Isles to supplement Britain's own supplies, fleets of tank cars, partially assembled on the other side, painted olive drab, are bringing the gas to invasion barges; engineer corps are ready to lay a system of pipe lines to new continental air bases and quickly establish depots on the other side. Enormously intricate plans accompany any battle and the cross-channel invasion is, of course, one of the greatest feats in military history. Only one thing is more important for its triumph than the quality and quantity of the equipment which the American worker and the American production machine have turned out—that is the Army itself.

With weapons in hand it is going forward.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. McKELLAR. I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. GLASS, Mr. HAYDEN, Mr. TYDINGS, Mr. RUSSELL, Mr. NYE, Mr. HOLMAN, and Mr. BROOKS conferees on the part of the Senate.

AUTHORIZATION TO RECEIVE MESSAGES, REPORT BILLS, AND SO FORTH, DURING THE RECESS

Mr. McKELLAR. Mr. President, it is desired by some Senators that the Senate take a recess until Thursday. In view of the possibility that that will be done, I ask unanimous consent that, during the recess following today's session, authority be given to the Secretary of the Senate to receive messages from the House of Representatives, to committees to submit reports, and, in addition, to the Committee on Appropriations to submit notices of motions to suspend the rules in the case of certain amendments to general appropriation bills; and to the Presiding Officer to sign duly enrolled bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. TUNNELL in the chair) laid before the Senate a message from the President of the United States withdrawing a nomination which was ordered to lie on the table.

(For nomination this day withdrawn, see the end of Senate proceedings.)

RECESS TO THURSDAY

Mr. McKELLAR. I move that the Senate take a recess until 12 o'clock Thursday.

The motion was agreed to; and (at 2 o'clock and 10 minutes p. m.) the Senate took a recess until Thursday, June 15, 1944, at 12 o'clock meridian.

WITHDRAWAL

Executive nomination withdrawn from the Senate June 13 (legislative day of May 9), 1944:

POSTMASTER

NEW YORK

Myron A. Paul to be postmaster at West Falls, N. Y.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 13, 1944

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father, Lord of heaven and earth, we need so many things to walk worthily of Thee; patience to wait, a ready hand to help, and a tongue undefiled. Amid awful spiritual perils, toiling against angry winds and waves, O let not the night of doubt engulf us in the dismal distress of materialism. Beneath the throbbings of weak flesh, arm us with a zeal that never questions and with a vigorous type of citizenship upon which our Republic can depend.

In Thy name, the faith of the world has been kept alive by men and women who had a vivid and an unwavering sense of the divine presence whose names are known to the recording angel only. In these days of suspense, countless are the eager hearts, choking back the tears and fears. In this most baffling world with its toil and death, caused by man's cruelty, with its gods of power and greed, we pray for the spirit of the Father, who is touched with a feeling of our infirmity. O throne of grace, O throne of our Elder Brother about which our longings and yearnings fall, give to those who are crossing the seas of affliction the heavenly voice. Let the blast of the storm winds, the march of the nations, and the majesty of the everlasting law become Thy servants to Thy honor and glory. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H. R. 4771. An act to amend the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves;

H. R. 4833. An act to extend, for 2 additional years, the provisions of the Sugar Act of 1937, as amended, and the taxes with respect to sugar;

H. J. Res. 286. Joint resolution providing for operation of naval petroleum and oil-shale reserves; and

H. Con. Res. 90. Concurrent resolution authorizing the printing of the manuscript containing an analysis of questions and answers on the Individual Income Tax Act of 1944 as a House document, and providing for the printing of additional copies thereof for the use of the House document room.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4115. An act to give honorably discharged veterans, their widows, and the wives of disabled veterans, who themselves are not qualified, preference in employment where Federal funds are disbursed.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1848. An act for the relief of Claude R. Whitlock, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1538) entitled "An act for the relief of the legal guardian of Eugene Holcomb, a minor," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. O'DANIEL, and Mr. WHERRY to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1767) entitled "An act to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4204) entitled "An act making appropriations for the Departments of State, Justice, and Commerce for the fiscal year ending June 30, 1945, and for other purposes."

The message also announced that the Senate still further insists upon its amendment Numbered 10 to the foregoing bill.

LOWELL MELLETT LIBELS TEXANS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HOBBS. Mr. Speaker, neither the State of Texas nor any citizens of Texas need defense on such an absurd imputation as that made by Lowell Mellett. It answers itself. As a columnist writing on a factional political fight in Texas, Mr. Mellett has a perfect right to express his views. When, however, he intimates that the conduct of any group of Texans as to a political matter would cause them to be lynched, I respectfully submit that he has gone beyond the pale of freedom of speech and has been guilty of libel.

The last two paragraphs of an article by Mr. Mellett in the Washington Star of June 10, 1944, read as follows:

If the busy boys who have been working through the back counties of the Southern States trying to produce something different really think they are going to succeed, there is one other thing they should be doing for their own safety or the safety of the anti-Roosevelt electors they are seeking to name. They should move in on Congress and get that anti-lynching bill passed. For, if the innocent southern gentlemen named to be electors should cast their votes for anybody except the man the South has really voted for, there's likely to be a lot of high-class lynchings down where the cotton blossoms grow.

Anyone who suggests that the passage of the so-called antilynching bill would safeguard anyone from being lynched simply evidences his complete disqualification to speak or write on such an issue. It might reasonably be contended that the passage of such a bill might have just the opposite effect. It shows the abysmal ignorance of this writer when he suggests that the passage of that bill could possibly prevent a lynching, under any circumstances. All who know anything about the problem know that the only force that could stop lynching is enlightened local public opinion. That is the force which Texas and the South have used to stop the crime of lynching until it is almost as extinct as the dodo. There has not been a single lynching in Texas in years. There were only two lynchings in the entire South last year.

Therefore, this libel of the South, and particularly of one group of Texans, should be resented by every right-thinking person.

EXTENSION OF REMARKS

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances; in one to include an article, To the Flag, by Bishop Richard J. Cushing, administrator of the archdiocese of Boston, and in the other an article on a recent Supreme Court decision by John Griffin, appearing in the Boston Post on Sunday last.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SULLIVAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in three instances, in one to include a radio address, and in the other two, newspaper articles.

The SPEAKER. Is there objection to the request of the gentleman from Nevada?

There was no objection.

Mr. GORE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an article that appeared in the Tennessee Farm Bureau News.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

(Mr. KENNEDY asked and was given permission to extend his remarks in the RECORD.)

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a brief editorial appearing in the Fergus Falls Daily Journal.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. DOUGLAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a letter from a soldier and an article from the Reader's Digest.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a letter from Dillon Myer, Director of the War Relocation Authority, and a letter from Secretary Stimson.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a newspaper editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ANDREWS of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a tribute to the late Hon. Henry B. Steagall.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

FEDERAL GOVERNMENT AID FOR THE READJUSTMENT IN CIVILIAN LIFE OF RETURNING WORLD WAR NO. 2 VETERANS

Mr. RANKIN. Mr. Speaker, I call up the conference report on the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mrs. ROGERS of Massachusetts. Reserving the right to object, Mr. Speaker, and I shall not object, because I think it is extremely important that this bill be passed immediately, in order that it may become law as soon as possible. May I say that the managers on the part of the House in the conference were able to keep 75 to 85 percent of the House provisions in the bill. Any changes that may have to be made can be made at a later date. I know the House is unanimous in wanting this bill passed immediately.

After many months of work on the part of the Committee on Finance of the Senate and the Committee on World War Veterans' Legislation of the House, and after weeks of work by the Senate and House conferees, it still may be freely admitted that the bill as agreed upon is not a perfect piece of legislation. Admittedly experience will show necessity for amendatory legislation on some of the many aspects covered by the bill. I believe that a better understanding may be had of the wide scope of the legislation if attention is called to some of the more important benefits provided.

Title I is intended to insure that there will be adequate hospital and treatment facilities for all veterans of World War No. 2, as well as other wars, and for other veterans entitled thereto. It contemplates procedures which will guarantee that every veteran before discharge will have an opportunity to file a claim for any benefit to which he may be entitled, and that claims will be promptly adjudicated. Special provision is made for adequate training in connection with the use of prosthetic appliances, and adequate machinery is provided for review of irregular or questionable discharges.

Title II, dealing with education, is very broad and liberal. Any person serving during the present war for a period of 90 days or more, or discharged after shorter service for disability incurred in line of duty, is entitled to 1 year of education or training, or a refresher or retraining course. In addition, any such person who at the time of entrance into service is not over 25 years of age, or if over that age, had his education or training impeded, delayed, interrupted, or interfered with by entrance into service, may receive not to exceed 3 years additional education or training conditioned upon satisfactory progress therein and length of service.

It is believed that the refresher or retraining courses will be particularly appealing to certain types of professional men and to persons who learned new trades or who received specialized training in industrial pursuits while in the service.

There are no limits upon the choice of the educational or training institution other than that they must be approved by the appropriate State educational agency or by the Administrator of Veterans' Affairs. The rules and regulations of the schools or institutions generally will govern.

The loan provisions combine the best features of both the House and Senate bills. Since no direct loans are provided no great amount of additional administrative machinery will be required. The bill as agreed upon provides for the guaranty of loans whether made by private or public lending agencies or institutions. Personally, I feel that lowering the rate of interest to not more than 4 percent is an improvement over the House bill which provided for interest at the rate of not over 6 percent. Thus in approving loans the services or private or public lending agencies or institutions are made available to the Veterans' Administration.

The conference agreement added in section 505 a provision containing the principles of the Senate bill relating to the utilization of Federal agencies making, guaranteeing, or insuring loans and a further provision that in the event of a principal loan so made, guaranteed, or insured by a Federal agency the Veterans' Administration may guarantee 100 percent of a secondary loan not to exceed 20 percent of the cost or purchase price to cover the usually required down payment. There was also added a provision from the Senate bill making a veteran eligible under this title also eligible under the Bankhead-Jones Farm Tenant Act, as amended, to the same extent as if he were a farm tenant.

The conference agreement includes a provision added to paragraph 500 (c) to make clear that the liability under the guaranty will be decreased or increased pro rata with any decrease or increase of the amount of the unpaid portion of the obligation.

The conference agreement includes a provision in section 501 (c) to make clear that a secondary loan under the provisions of this title would not make ineligible for insurance under the National Housing Act a first-mortgage loan on the same property.

Title IV on employment of veterans was the least satisfactory to the House conferees for the reason that it places the responsibility upon the Administrator of Veterans' Affairs, but retains the machinery to carry out such responsibility in the United States Employment Service. The amendments agreed upon, however, give the Administrator much greater authority than was afforded by the Senate bill. Likewise, the Administrator is not given control of the appropriation for the Veterans' Employment Service as would have been done by the House bill. Further, this title departs from the principle of having all veterans' benefits as such administered by one agency. It is believed, however, that under the authority afforded by section 600 (b), together with that of section 1500, the Administrator of Veterans' Affairs will have the necessary power and authority to strengthen the operations of the Veterans' Employment Service.

Title V on readjustment or unemployment allowances has been greatly strengthened, particularly through the provision permitting readjustment allowances to those who are self-employed, but confined to the period of development when profits are not available as in a

normal productive period. Further, by permitting utilization of the State agencies and the Railroad Retirement Board in the processing and servicing of claims for benefits, prompt relief should be available to any unemployed person. At the same time the right of appeal to the Administrator of Veterans' Affairs is preserved and the Administrator has full authority over the administration of the readjustment allowances.

The conference agreement of section V:

First. Adopts 52 weeks as the total period eligibility as provided in the Senate bill.

Second. Omits the shortening of the total period of eligibility by the penalties imposed for successive disqualifications as contained in the House amendment and restores the Senate language.

Third. Adopts the provision of the House amendment fixing a flat weekly allowance.

Fourth. Adopts the provisions of the House amendment applying the conditions and standards of the particular State for determining the suitability of work or existence of good cause, with an amendment authorizing the Administrator to prescribe such conditions and standards when the State law has none.

Fifth. Omits the House provision relating to suitability of work conditioned upon joining, resigning from, or refraining from joining a labor union or labor organization.

Sixth. Provides that an eligible veteran shall be entitled to 4 weeks of allowances for each calendar month or major fraction thereof of active service during the period specified in section 700 except that the allowance for the qualifying 90 days' service shall be 8 weeks for each such month.

Seventh. Adopts the House provision for payment of allowances to self-employed persons.

Eighth. Adopts the House provision for servicing by the Railroad Retirement Board except that in the provision for application of the provisions of the Railroad Unemployment Insurance Act, such as conditions, standards, and procedures, there has been inserted a provision that this shall apply if not in conflict with the provisions of this title.

Ninth. Omits the Senate provision for reporting changes in status.

Tenth. Omits the Senate provision providing for deduction of allowances or benefits received as a Federal or State noncontributory benefit.

Eleventh. Omits the provision in the House amendment providing for deduction from benefits under title II of amounts received as allowances under title V.

The liberalizing provisions of title VI with respect to character of discharge will be beneficial to many veterans not only of this war, but of prior wars. Further, making the administrative, definitive, and penal provisions of Public Law 2, Seventy-third Congress, applicable to this act will afford precedents in the administration of the act.

It is believed that the wide authority to enter into contracts or agreements for services, compensated or uncompensated, and including personal services will strengthen the administration not only of this act, but of Public Law 2 referred to above.

Section 1505 is like the House bill which may be changed at a later date.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War II veterans, having met, at full and free conference, have a greed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That this act may be cited as the 'Servicemen's Readjustment Act of 1944.'

"TITLE I

"CHAPTER I—HOSPITALIZATION, CLAIMS, AND PROCEDURES

"SEC. 100. The Veterans' Administration is hereby declared to be an essential war agency and entitled, second only to the War and Navy Departments, to priorities in personnel, equipment, supplies, and material under any laws, Executive orders, and regulations pertaining to priorities, and in appointments of personnel from civil-service registers the Administrator of Veterans' Affairs is hereby granted the same authority and discretion as the War and Navy Departments and the United States Public Health Service: *Provided*, That the provisions of this section as to priorities for materials shall apply to any State institution to be built for the care or hospitalization of veterans.

"SEC. 101. The Administrator of Veterans' Affairs and the Federal Board of Hospitalization are hereby authorized and directed to expedite and complete the construction of additional hospital facilities for war veterans, and to enter into agreements and contracts for the use by or transfer to the Veterans' Administration of suitable Army and Navy hospitals after termination of hostilities in the present war or after such institutions are no longer needed by the armed services; and the Administrator of Veterans' Affairs is hereby authorized and directed to establish necessary regional offices, suboffices, branch offices, contact units, or other subordinate offices in centers of population where there is no Veterans' Administration facility, or where such a facility is not readily available or accessible: *Provided*, That there is hereby authorized to be appropriated the sum of $500,000,000 for the construction of additional hospital facilities.

"SEC. 102. The Administrator of Veterans' Affairs and the Secretary of War and Secretary of the Navy are hereby granted authority to enter into agreements and contracts for the mutual use or exchange of use of hospital and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate properly such facilities, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for veterans, except that at no time shall the Administrator of Veterans' Affairs enter into any agreement which will result in a permanent reduction of Veterans' Administration hospital and domiciliary beds below the number now established or approved, plus the estimated number required to meet the load of eligibles under laws administered by the Veterans' Administration, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.

"Nothing in the Selective Training and Service Act of 1940, as amended, or any other Act, shall be construed to prevent the transfer or detail of any commissioned, appointed or enlisted personnel from the armed forces to the Veterans' Administration subject to agreements between the Secretary of War or the Secretary of the Navy and the Administrator of Veterans' Affairs: *Provided*, That no such detail shall be made or extend beyond six months after the termination of the war.

"SEC. 103. The Administrator of Veterans' Affairs shall have authority to place officials and employees designated by him in such Army and Navy installations as may be deemed advisable for the purpose of adjudicating disability claims of, and giving aid and advice to, members of the Army and Navy who are about to be discharged or released from active service.

"SEC. 104. No person shall be discharged or released from active duty in the armed forces until his certificate of discharge or release from active duty and final pay, or a substantial portion thereof, are ready for delivery to him or to his next of kin or legal representative; and no person shall be discharged or released from active service on account of disability until and unless he has executed a claim for compensation, pension, or hospitalization, to be filed with the Veterans' Administration or has signed a statement that he has had explained to him the right to file such claim: *Provided*, That this section shall not preclude immediate transfer to a veterans' facility for necessary hospital care, nor preclude the discharge of any person who refuses to sign such claim or statement: *And provided further*, That refusal or failure to file a claim shall be without prejudice to any right the veteran may subsequently assert.

"Any person entitled to a prosthetic appliance shall be entitled, in addition, to necessary fitting and training, including institutional training, in the use of such appliance, whether in a Service or a Veterans' Administration hospital, or by out-patient treatment, including such service under contract.

"SEC. 105. No person in the armed forces shall be required to sign a statement of any nature relating to the origin, incurrence, or aggravation of any disease or injury he may have, and any such statement against his own interest signed at any time, shall be null and void and of no force and effect.

"CHAPTER II—AID BY VETERANS' ORGANIZATIONS

"SEC. 200. (a) That upon certification to the Secretary of War or Secretary of the Navy by the Administrator of Veterans' Affairs of paid full time accredited representatives of the veterans' organizations specified in section 200 of the Act of June 29, 1936 (Public Law Numbered 844, Seventy-fourth Congress), and other such national organizations recognized by the Administrator of Veterans' Affairs thereunder in the presentation of claims under laws administered by the Veterans' Administration, the Secretary of War and Secretary of the Navy are hereby authorized and directed to permit the functioning, in accordance with regulations prescribed pursuant to subsection (b) of this section, of such accredited representatives in military or naval installations on shore from which persons are discharged or released from the active military or naval service: *Provided*, That nothing in this section shall operate to affect measures of military security now in effect or which may hereafter be placed in effect, nor to

prejudice the right of the American Red Cross to recognition under existing statutes.

"(b) The necessary regulations shall be promulgated by the Secretary of War and the Secretary of the Navy jointly with the Administrator of Veterans' Affairs to accomplish the purpose of this section, and in the preparation of such regulations the national officer of each of such veterans' organizations who is responsible for claims and rehabilitation activities shall be consulted. The commanding officer of each such military or naval installation shall cooperate fully with such authorized representatives in the providing of available space and equipment for such representatives.

"CHAPTER III—REVIEWING AUTHORITY

"SEC. 300. The discharge or dismissal by reason of the sentence of a general court martial of any person from the military or naval forces, or the discharge of any such person on the ground that he was a conscientious objector who refused to perform military duty or refused to wear the uniform or otherwise to comply with lawful orders of competent military authority, or as a deserter, or of an officer by the acceptance of his resignation for the good of the service, shall bar all rights of such person, based upon the period of service from which he is so discharged or dismissed, under any laws administered by the Veterans' Administration: *Provided*, That in the case of any such person, if it be established to the satisfaction of the Administrator that at the time of the commission of the offense such person was insane, he shall not be precluded from benefits to which he is otherwise entitled under the laws administered by the Veterans' Administration: *And provided further*, That this section shall not apply to any war risk, Government (converted) or national service life-insurance policy.

"SEC. 301. The Secretary of War and the Secretary of the Navy, after conference with the Administrator of Veterans' Affairs, are authorized and directed to establish in the War and Navy Departments, respectively, boards of review composed of five members each, whose duties shall be to review, on their own motion or upon the request of a former officer or enlisted man or woman or, if deceased, by the surviving spouse, next of kin, or legal representative, the type and nature of his discharge or dismissal, except a discharge or dismissal by reason of the sentence of a general court martial. Such review shall be based upon all available records of the service department relating to the person requesting such review, and such other evidence as may be presented by such [person. Witnesses shall be permitted to] present testimony either in person or by affidavit and the person requesting review shall be allowed to appear before such board in person or by counsel: *Provided*, That the term "counsel" as used in this section shall be construed to include, among others, accredited representatives of veterans' organizations recognized by the Veterans' Administration under section 200 of the Act of June 29, 1936 (Public Law Numbered 844, Seventy-fourth Congress). Such board shall have authority, except in the case of a discharge or dismissal by reason of the sentence of a general court martial, to change, correct, or modify any discharge or dismissal, and to issue a new discharge in accord with the facts presented to the board. The Articles of War and the Articles for the Government of the Navy are hereby amended to authorize the Secretary of War and the Secretary of the Navy to establish such boards of review, the findings thereof to be final subject only to review by the Secretary of War or the Secretary of the Navy, respectively: *Provided*, That no request for review by such board of a discharge or dismissal under the provisions of this section shall be valid unless filed within fifteen years after such discharge or dismissal or within fifteen years after the effective date of this Act whichever be the later.

"SEC. 302. (a) The Secretary of War, the Secretary of the Navy, and the Secretary of the Treasury are authorized and directed to establish, from time to time, boards of review composed of five commissioned officers, two of whom shall be selected from the Medical Corps of the Army or Navy, or from the Public Health Service, as the case may be. It shall be the duty of any such board to review, at the request of any officer retired or released to inactive service, without pay, for physical disability pursuant to the decision of a retiring board, the findings and decision of such retiring board. Such review shall be based upon all available service records relating to the officer requesting such review, and such other evidence as may be presented by such officer. Witnesses shall be permitted to present testimony either in person or by affidavit and the officer requesting review shall be allowed to appear before such board of review in person or by counsel. In carrying out its duties under this section such board of review shall have the same powers as exercised by, or vested in, the retiring board whose findings and decision are being reviewed. The proceedings and decision of each such board of review affirming or reversing the decision of the retiring board shall be transmitted to the Secretary of War, the Secretary of the Navy, or the Secretary of the Treasury, as the case may be, and shall be laid by him before the President for his approval or disapproval and orders in the case.

"(b) No request for review under this section shall be valid unless filed within 15 years after the date of retirement for disability or after the effective date of this Act, whichever is the later.

"(c) As used in this section—

"(1) the term 'officer' means any officer subject to the laws granting retirement for active service in the Army, Navy, Marine Corps, or Coast Guard, or any of their respective components;

"(2) the term 'counsel' shall have the same meaning as when used in section 301 of this Act.

"TITLE II

"CHAPTER IV—EDUCATION OF VETERANS

"SEC. 400. (a) Subsection (f) of section 1, title I, Public Law Numbered 2, Seventy-third Congress, added by the Act of March 24, 1943 (Public Law Numbered 16, Seventy-eighth Congress), is hereby amended to read as follows:

"'(f) Any person who served in the active military or naval forces on or after September 16, 1940, and prior to the termination of hostilities in the present war, shall be entitled to vocational rehabilitation subject to the provisions and limitations of Veterans Regulation Numbered 1 (a), as amended, part VII, or to education or training subject to the provisions and limitations of part VIII.'

"(b) Veterans Regulation Numbered — (a), is hereby amended by adding a new part VIII, as follows:

"'*Part VIII*

"'1. Any person who served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released therefrom under conditions other than dishonorable, and whose education or training was impeded, delayed, interrupted, or interfered with by reason of his entrance into the service, or who desires a refresher or retraining course, and who either shall have served 90 days or more, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, or shall have been discharged or released from active service by reason of an actual service-incurred injury or disability, shall be eligible for and entitled to receive education or training under this part: *Provided*, That such course shall be initiated not later than 2 years after either the date of his discharge or the termination of the present war, whichever is the later: *Provided further*, That no such education or training shall be afforded beyond seven years after the termination of the present war: *And provided further*, That any such person who was not over 25 years of age at the time he entered the service shall be deemed to have had his education or training impeded, delayed, interrupted, or interfered with.

"'2. Any such eligible person shall be entitled to education or training, or a refresher or retraining course, at an approved educational or training institution, for a period of one year (or the equivalent thereof in continuous part-time study), or for such lesser time as may be required for the course of instruction chosen by him. Upon satisfactory completion of such course of education or training, according to the regularly prescribed standards and practices of the institutions, except a refresher or retraining course, such person shall be entitled to an additional period or periods of education or training, not to exceed the time such person was in the active service on or after September 16, 1940, and before the termination of the war, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, but in no event shall the total period of education or training exceed four years: *Provided*, That his work continues to be satisfactory throughout the period, according to the regularly prescribed standards and practices of the institution: *Provided, however*, That wherever the additional period of instruction ends during a quarter or semester and after a major part of such quarter or semester has expired, such period of instruction shall be extended to the termination of such unexpired quarter or semester.

"'3. Such person shall be eligible for and entitled to such course of education or training as he may elect, and at any approved educational or training institution at which he chooses to enroll, whether or not located in the State in which he resides, which will accept or retain him as a student or trainee in any field or branch of knowledge which such institution finds him qualified to undertake or pursue: *Provided*, That for reasons satisfactory to the Administrator, he may change a course of instruction: *And provided further*, That any such course of education or training may be discontinued at any time, if it is found by the Administrator that, according to the regularly prescribed standards and practices of the institution, the conduct or progress of such person is unsatisfactory.

"'4. From time to time the Administrator shall secure from the appropriate agency of each State a list of the educational and training institutions (including industrial establishments), within such jurisdiction, which are qualified and equipped to furnish education or training (including apprenticeship and refresher or retraining training), which institutions, together with such additional ones as may be recognized and approved by the Administrator, shall be deemed qualified and approved to furnish education or training to such persons as shall enroll under this part: *Provided*, That wherever there are established State apprenticeship agencies expressly charged by State laws to administer apprentice training, whenever possible, the

Administrator shall utilize such existing facilities and services in training on the job when such training is of 1 year's duration or more.

" '5. The Administrator shall pay to the educational or training institution, for each person enrolled in full time or part time course of education or training, the customary cost of tuition, and such laboratory, library, health, infirmary, and other similar fees as are customarily charged, and may pay for books, supplies, equipment, and other necessary expenses, exclusive of board, lodging, other living expenses, and travel, as are generally required for the successful pursuit and completion of the course by other students in the institution: *Provided*, That in no event shall such payments, with respect to any person, exceed $500 for an ordinary school year: *Provided further*, That no payments shall be made to institutions, business or other establishments furnishing apprentice training on the job: *And provided further*, That if any such institution has no established tuition fee, or if its established tuition fee shall be found by the Administrator to be inadequate compensation to such institution for furnishing such education or training, he is authorized to provide for the payment, with respect to any such person, of such fair and reasonable compensation as will not exceed $500 for an ordinary school year.

" '6 While enrolled in and pursuing a course under this part, such person, upon application to the Administrator, shall be paid a subsistence allowance of $50 per month, if without a dependent or dependents, or $75 per month, if he has a dependent or dependents, including regular holidays and leave not exceeding thirty days in a calendar year. Such person attending a course on a part-time basis, and such person receiving compensation for productive labor performed as part of their apprentice or other training on the job at institutions, business or other establishments, shall be entitled to receive such lesser sums, if any, as subsistence of dependency allowances, as may be determined by the Administrator: *Provided*, That any such person eligible under this part, and within the limitations thereof, may pursue such full time or part-time course or courses as he may elect, without subsistence allowance.

" '7. Any such person eligible for the benefits of this part, who is also eligible for the benefit of part VII, may elect which benefit he desires: *Provided*, That, in the event of such election, subsistence allowance hereunder shall not exceed the amount of additional pension payable for training under said part VII.

" '8. No department, agency, or officer of the United States, in carrying out the provisions of this part, shall exercise any supervision or control, whatsoever, over any State educational agency, or State apprenticeship agency, or any educational or training institution: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational or training institution, or to prevent the furnishing of education or training under this part in any institution over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

" '9. The Administrator of Veterans' Affairs is authorized and empowered to administer this title, and, insofar as he deems practicable, shall utilize existing facilities and services of Federal and State departments and agencies on the basis of mutual agreements with them. Consistent with and subject to the provisions and limitations set forth in this title, the Administrator shall, from time to time, prescribe and promulgate such rules and regulations as may be necessary to carry out its purposes and provisions.

" '10. The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this part. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

" '11. As used in this part, the term "educational or training institutions" shall include all public or private elementary, secondary, and other schools furnishing education for adults, business schools and colleges, scientific and technical institutions, colleges, vocational schools, junior colleges, teachers colleges, normal schools, professional schools, universities, and other educational institutions, and shall also include business or other establishments providing apprentice or other training on the job, including those under the supervision of an approved college or university or any State department of education, or any State apprenticeship agency or State board of vocational education, or any State apprenticeship council or the Federal Apprentice Training Service established in accordance with Public, Numbered 308, Seventy-fifth Congress, or any agency in the executive branch of the Federal Government authorized under other laws to supervise such training.'

"SEC. 401. Section 3, Public Law Numbered 16, Seventy-eighth Congress, is hereby amended to read as follows:

" 'SEC. 3. The appropriation for the Veterans' Administration, Salaries and expenses, medical and hospital, and compensation and pensions", shall be available for necessary expenses under part VII, as amended, or part VIII of Veterans Regulation Numbered 1 (a), and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes thereof. Such expenses may include, subject to regulations issued by the Administrator and in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies as may be necessary to accomplish the purposes of part VII, as amended, or part VIII of Veterans Regulation Numbered 1 (a).'

"SEC. 402. Public Law Numbered 16, Seventy-eighth Congress, is hereby amended by adding thereto a new section 4 to read as follows:

" 'SEC. 4. Any books, supplies, or equipment furnished a trainee or student under part VII or part VIII of Veterans Regulation Numbered 1 (a) shall be deemed released to him: *Provided*, That if he fail, because of fault on his part to complete the course of training or education afforded thereunder, he may be required, in the discretion of the Administrator, to return any or all of such books, supplies, or equipment not actually expended or to repay the reasonable value thereof.'

"SEC. 403. Paragraph 1, part VII, Veterans Regulation Numbered 1 (a) (Public Law Numbered 16, Seventy-eighth Congress), is hereby amended by inserting after the word "time" the words "on or" and deleting the date "December 6, 1941" and substituting therefor the date "September 16, 1940".

"TITLE III—LOANS FOR THE PURCHASE OR CONSTRUCTION OF HOMES, FARMS, AND BUSINESS PROPERTY

"CHAPTER V—GENERAL PROVISIONS FOR LOANS

"SEC. 500. (a) Any person who shall have served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war and who shall have been discharged or released therefrom under conditions other than dishonorable after active service of ninety days or more, or by reason of an injury or disability incurred in service in line of duty, shall be eligible for the benefits of this title. Any such veteran may apply within two years after separation from the military or naval forces, or two years after termination of the war, whichever is the later date, but in no event more than five years after the termination of the war, to the Administrator of Veterans' Affairs for the guaranty by the Administrator of not to exceed 50 per centum of a loan or loans for any of the purposes specified in sections 501, 502 and 503: *Provided*, That the aggregate amount guaranteed shall not exceed $2,000. If the Administrator finds that the veteran is eligible for the benefits of this title and that the loan applied for appears practicable, the Administrator shall guarantee the payment of the part thereof as set forth in this title.

"(b) Interest for the first year on that part of the loan guaranteed by the Administrator shall be paid by the Administrator out of available appropriations. No security for the guaranty of a loan shall be required except the right to be subrogated to the lien rights of the holder of the obligation which is guaranteed: *Provided*, That pursuant to regulations to be issued by the Administrator the mortgagor and mortgagee shall agree that before beginning foreclosure proceedings for default in payment of principal or interest due, the Administrator shall have at least thirty days' notice with the option of bidding in the property on foreclosure or of refinancing the loan with any other agency or by any other means available.

"(c) Loans guaranteed by the Administrator under this title shall be payable under such terms and conditions as may be approved by the Administrator: *Provided*, That the liability under the guaranty, within the limitations of this title, shall decrease or increase pro rata with any decrease or increase of the amount of the unpaid portion of the obligation: *Provided further*, That loans guaranteed by the Administrator shall bear interest at a rate not exceeding 4 per centum per annum and shall be payable in full in not more than twenty years. The Administrator is authorized and directed to guarantee loans to veterans subject to the provisions of this title on approved applications made to persons, firms, associations, and corporations and to governmental agencies and corporations, either State or Federal.

"Purchase or construction of homes

"SEC. 501. (a) Any application made by a veteran under this title for the guaranty of a loan to be used in purchasing residential property or in constructing a dwelling on unimproved property owned by him to be occupied as his home may be approved by the Administrator of Veterans' Affairs if he finds—

"(1) that the proceeds of such loans will be used for payment for such property to be purchased or constructed by the veteran;

"(2) that the contemplated terms of payment required in any mortgage to be given in part payment of the purchase price or the construction cost bear a proper relation to the veteran's present and anticipated income and expenses; and that the nature and condition of the property is such as to be suitable for dwelling purposes; and

"(3) that the purchase price paid or to be paid by the veteran for such property or the construction cost, including the value of the unimproved lot, does not exceed the reasonable normal value thereof as determined by proper appraisal.

'(b) Any application for the guaranty of a loan under this section for the purpose of

making repairs, alterations, or improvements in, or paying delinquent indebtedness, taxes, or special assessments on, residential property owned by the veteran and used by him as his home, may be approved by the Administrator if he finds that the proceeds of such loan will be used for such purpose or purposes.

"(c) No first mortgage shall be ineligible for insurance under the National Housing Act, as amended, by reason of any loan guaranteed under this title, or by reason of any secondary lien upon the property involved securing such loan.

"Purchase of farms and farm equipment

"SEC. 502. Any application made under this title for the guaranty of a loan to be used in purchasing any land, buildings, livestock, equipment, machinery, or implements, or in repairing, altering, or improving any buildings or equipment, to be used in farming operations conducted by the applicant, may be approved by the Administrator of Veterans' Affairs if he finds—

"(1) that the proceeds of such loan will be used in payment for real or personal property purchased or to be purchased by the veteran, or for repairing, altering, or improving any buildings or equipment, to be used in bona fide farming operations conducted by him;

"(2) that such property will be useful in and reasonably necessary for efficiently conducting such operations;

"(3) that the ability and experience of the veteran and the nature of the proposed farming operations to be conducted by him, are such that there is a reasonable likelihood that such operations will be successful; and

"(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable normal value thereof as determined by proper appraisal.

"Purchase of business property

"SEC. 503. Any application made under this title for the guaranty of a loan to be used in purchasing any business, land, buildings, supplies, equipment, machinery, or tools, to be used by the applicant in pursuing a gainful occupation (other than farming) may be approved by the Administrator of Veterans' Affairs if he finds—

"(1) that the proceeds of such loan will be used for payment for real or personal property purchased or to be purchased by the veteran and used by him in the bona fide pursuit of such gainful occupation;

"(2) that such property will be useful in and reasonably necessary for the efficient and successful pursuit of such occupation;

"(3) that the ability and experience of the veteran, and the conditions under which he proposes to pursue such occupation, are such that there is a reasonable likelihood that he will be successful in the pursuit of such occupation; and

"(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable normal value thereof as determined by proper appraisal.

"SEC. 504. The Administrator of Veterans' Affairs is authorized to promulgate such rules and regulations as are deemed necessary and appropriate for carrying out the provisions of this title, and may delegate to a subordinate employee authority to approve loans subject to the provisions of this title and the rules promulgated thereunder.

"SEC. 505. (a) The Administrator shall designate such agency or agencies, if any, as he finds equipped to determine whether the guaranty of loan should be approved under this title. In any case wherein a principal loan, for any of the purposes stated in section 501, 502, or 503, is approved by a Federal agency to be made or guaranteed or insured by it pursuant to applicable law and regulations, and the veteran is in need of a second loan to cover the remainder of the purchase price or cost, or a part thereof, the Administrator, subject otherwise to the provisions of this title, including the limitation of $2,000 on the total amount which may be guaranteed, may guarantee the full amount of the second loan: *Provided*, That such second loan shall not exceed 20 per centum of the purchase price or cost and that the rate of interest thereon shall not exceed that on the principal loan by more than 1 per centum: *And provided further*, That regulations to be promulgated jointly by the Administrator and the head of such agency may provide for servicing of both loans by such agency and for refinancing of the principal loan to include any unpaid portion of the secondary loan, with accrued interest, if any, after the curtailment thereon equals twice the amount of the secondary loan.

"(b) Any person who is found by the Administrator of Veterans' Affairs to be a veteran eligible for the benefits of this title, as provided in section 500 hereof, and who is found by the Secretary of Agriculture, by reason of his ability and experience, including training as a vocational trainee, to be likely to carry out successfully undertakings required of him under a loan which may be made under the Bankhead-Jones Farm Tenant Act, shall be eligible for the benefits of such Act to the same extent as if he were a farm tenant.

"TITLE IV

"CHAPTER VI—EMPLOYMENT OF VETERANS

"SEC. 600. (a) In the enactment of the provisions of this title Congress declares as its intent and purpose that there shall be an effective job counseling and employment placement service for veterans, and that, to this end, policies shall be promulgated and administered, so as to provide for them the maximum of job opportunity in the field of gainful employment. For the purpose there is hereby created to cooperate with and assist the United States Employment Service, as established by the provisions of the Act of June 6, 1933, a Veterans' Placement Service Board, which shall consist of the Administrator of Veterans' Affairs, as Chairman, the Director of the National Selective Service System, and the Administrator of the Federal Security Agency, or whoever may have the responsibility of administering the functions of the United States Employment Service. The Board shall determine all matters of policy relating to the administration of the Veterans' Employment Service of the United States Employment Service.

"(b) The Chairman of the Board shall have direct authority and responsibility for carrying out its policies through the veterans' employment representatives in the several States or through persons engaged in activities authorized by subsection (g) of section 8 of the Selective Service Act of 1940 (Public Law 783, Seventy-sixth Congress, approved September 16, 1940, as amended (U. S. C., title 50, sec. 308)). The Chairman may delegate such authority to an executive secretary who shall be appointed by him and who shall thereupon be the Chief of the Veterans' Employment Service of the United States Employment Service.

"(c) The public records of the Veterans' Personnel Division, National Selective Service System, and the Veterans' Employment Service of the United States Employment Service shall be available to the Board.

"SEC. 601. The United States Employment Service shall assign to each of the States a veterans' employment representative, who shall be a veteran of the wars of the United States separated from active service under honorable conditions, who at the time of appointment shall have been a bona fide resident of the State for at least two years, and who shall be appointed, subject to the approval of the Board, in accordance with the civil-service laws, and whose compensation shall be fixed in accordance with the Classification Act of 1923, as amended. Each such veterans' employment representative shall be attached to the staff of the public employment service in the State to which he has been assigned. He shall be administratively responsible to the Board, through its executive secretary, for the execution of the Board's veterans' placement policies through the public employment service in the State. In cooperation with the public employment service staff in the State, he shall—

"(a) be functionally responsible for the supervision of the registration of veterans in local employment offices for suitable types of employment and for placement of veterans in employment;

"(b) assist in securing and maintaining current information as to the various types of available employment in public works and private industry or business;

"(c) promote the interest of employers in employing veterans;

"(d) maintain regular contact with employers and veterans' organizations with a view of keeping employers advised of veterans available for employment and veterans advised of opportunities for employment; and

"(e) assist in every possible way in improving working conditions and the advancement of employment of veterans.

"SEC. 602. Where deemed necessary by the Board, there shall be assigned by the administrative head of the employment service in the State one or more employees, preferably veterans, of the staffs of local employment service offices, whose services shall be primarily devoted to discharging the duties prescribed for the veterans' employment representative.

"SEC. 603. All Federal agencies shall furnish the Board such records, statistics, or information as may be deemed necessary or appropriate in administering the provisions of this title, and shall otherwise cooperate with the Board in providing continuous employment opportunities for veterans.

"SEC. 604. The Federal agency administering the United States Employment Service shall maintain that service as an operating entity and, during the period of its administration, shall effectuate the provisions of this title.

"SEC. 605. (a) The Board through its executive secretary shall estimate the funds necessary for the proper and efficient administration of this title; such estimated sums shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget of the United States Employment Service. Any funds appropriated pursuant to this special item as contained in the budget of the United States Employment Service shall not be available for any purpose other than that for which they were appropriated, except with the approval of the Board.

"(b) The War Manpower Commission shall from its current appropriation allocate and make available sufficient funds to carry out the provisions of this title during the current fiscal year.

"SEC. 606. The term 'United States Employment Service' as used in this title means that Bureau created by the provisions of the Act of June 6, 1933, or such successor agencies as from time to time shall perform its functions and duties, as now performed by the War Manpower Commission.

"SEC. 607. The term 'veteran' as used in this title shall mean a person who served in the active service of the armed forces during a period of war in which the United States has been, or is engaged, and who has been discharged or released therefrom under conditions other than dishonorable.

"TITLE V

"CHAPTER VII—READJUSTMENT ALLOWANCES FOR FORMER MEMBERS OF THE ARMED FORCES WHO ARE UNEMPLOYED

"SEC. 700. (a) Any person who shall have served in the active military or naval service of the United States at any time after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released from active service under conditions other than dishonorable, after active service of ninety days or more, or by reason of an injury or disability incurred in service in line of duty, shall be entitled, in accordance with the provisions of this title and regulations issued by the Administrator of Veterans' Affairs pursuant thereto, to receive a readjustment allowance as provided herein for each week of unemployment, not to exceed a total of fifty-two weeks, which (1) begins after the first Sunday of the third calendar month after the date of enactment hereof, and (2) occurs not later than two years after discharge or release or the termination of the war, whichever is the later date: *Provided*, That no such allowance shall be paid for any period for which he receives increased pension under part VII of Veterans Regulation 1 (a) or a subsistence allowance under part VIII of such regulation: *Provided further*, That no readjustment allowance shall be payable for any week commencing more than five years after the termination of hostilities in the present war.

"(b) Such person shall be deemed eligible to receive an allowance for any week of unemployment if claim is made for such allowance and the Administrator finds with respect to such week that—

"(1) the person is residing in the United States at the time of such claim;

"(2) the person is completely unemployed, having performed no service and received no wages, or is partially unemployed in that services have been performed for less than a full workweek and the wages for the week are less than the allowance under this title plus $3;

"(3) the person is registered with and continues to report to a public employment office, in accordance with its regulations;

"(4) the person is able to work and available for suitable work: *Provided*, That no claimant shall be considered ineligible in any period of continuous unemployment for failure to comply with the provisions of this subparagraph if such failure is due to an illness or disability which occurs after the commencement of such period.

"CHAPTER VIII—DISQUALIFICATIONS

"SEC. 800. (a) Notwithstanding the provisions of section 700, a claimant shall be disqualified from receiving an allowance if—

"(1) he leaves suitable work voluntarily, without good cause, or is suspended or discharged for misconduct in the course of employment;

"(2) he, without good cause, fails to apply for suitable work to which he has been referred by a public employment office, or to accept suitable work when offered him; or

"(3) he, without good cause, does not attend an available free training course as required by regulations issued pursuant to the provisions of this title.

"(b) Notwithstanding the provisions of section 700, a claimant shall also be disqualified from receiving an allowance for any week with respect to which it is found that his unemployment is due to a stoppage of work which exists because of a labor dispute at the factory, establishment, or other premises at which he is or was last employed: *Provided*, That this subsection shall not apply if it is shown that—

"(1) he is not participating in or directly interested in the labor dispute which causes the stoppage of work; and

"(2) he does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage there were members employed at the premises at which the stoppage occurs, any of whom are participating in or directly interested in the dispute: *Provided, however*, That if in any case separate branches of work, which are commonly conducted as separate business in separate premises, are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment, or other premises.

"(c) (1) If a claimant is disqualified under the provisions of subsection (a) of this section, he shall be disqualified to receive any readjustment allowance for the week in which the cause of his disqualification occurred and for not more than four immediately following weeks.

"(2) In addition to the disqualification prescribed in paragraph (1) above, the Administrator may, in cases of successive disqualifications under the provisions of subsection (a) of this section, extend the period of disqualification for such additional period as the Administrator may prescribe, but not to exceed eight additional weeks in the case of any one disqualification.

"(d) (1) In determining under subsection (a) of this section the suitability of work or the existence of good cause with respect to a claimant, the conditions and standards prescribed by the unemployment compensation laws of the State in which he files his claim shall govern: *Provided*, That the Administrator may prescribe conditions and standards for applicants in any State having no applicable statute.

"(2) In determining under subsection (a) of this section the suitability of work, no work shall be deemed suitable for an individual if—

"(A) the position offered is vacant due directly to a strike, lock-out, or other labor dispute; or

"(B) the wages, hours, or other conditions of the work offered as substantially less favorable to him than those prevailing for similar work in the locality.

"CHAPTER IX—AMOUNT OF ALLOWANCE AND PAYMENT

"SEC. 900. (a) The allowance for a week shall be $20 less that part of the wages payable to him for such week which is in excess of $3: *Provided*, That where the allowance is not a multiple of $1, it shall be computed to the next highest multiple of $1.

"(b) The number of weeks of allowances to which each eligible veteran shall be entitled shall be determined as follows: For each calendar month or major fraction thereof of active service during the period stated in section 700 the veteran shall be entitled to four weeks of allowances, but in no event to exceed the maximum provided in section 700: *Provided*, That the allowance for the qualifying ninety days service shall be eight weeks for each such month.

"SEC. 901. (a) Readjustment allowances shall be paid at the intervals prescribed by the unemployment compensation law of the State in which the claim was made: *Provided*, That if none are so prescribed readjustment allowances shall be paid at such reasonable intervals as may be determined by the Administrator.

"(b) Any allowances remaining unpaid upon the death of a claimant shall not be considered a part of the assets of the estate of the claimant, or liable for the payment of his debts, or subject to any administration of his estate, and the Administrator may make payment thereof to such person or persons he finds most equitably entitled thereto.

"SEC. 902. (a) Any person qualified under subsection (a) of section 700, and residing in the United States who is self-employed for profit in an independent establishment, trade, business, profession, or other vocation shall be eligible for readjustment allowances under this title within the time periods applicable, and not in excess of the total amount provided in this title.

"(b) Upon application by the veteran showing, in accordance with rules prescribed by the Administrator, that he has been fully engaged in such self-employment and that his net earnings in a trade, business, profession, or vocation, have been less than $100 in the previous calendar month, the veteran shall be entitled to receive, subject to the limitations of this title as to time and amount, the difference (adjusted to the next highest multiple of $1) between $100 and his net earnings for such month.

"(c) Payment of such allowance shall be made by the Administrator to each eligible veteran at the time and in the manner other payments are made directly to veterans by the Administrator.

"(d) Subsection (b) of section 700 and section 800 shall not apply in determining the eligibility for allowances of a claimant under this section.

"CHAPTER X—ADJUSTMENT OF DUPLICATE BENEFITS

"SEC. 1000. Where an allowance is payable to a claimant under this title and where, for the same period, either an allowance or benefit is received under any Federal or State unemployment or disability compensation law, the amount received or accrued from such other source shall be subtracted from the allowance payable under this title (except that this section shall not apply to pension, compensation, or retired pay paid by the Veterans' Administration); and the resulting allowances, if not a multiple of $1, shall be readjusted to the next higher multiple of $1.

"CHAPTER XI—ADMINISTRATION

"SEC. 1100. (a) The Administrator of Veterans' Affairs is authorized to administer this title and shall, insofar as possible, utilize existing facilities and services of Federal and State departments or agencies on the basis of mutual agreements with such departments or agencies. Such agreements shall provide for the filing of claims for readjustment allowances with the Administrator through established public employment offices and State unemployment-compensation agencies. Such agencies, through agreement, shall also be utilized in the processing, adjustment, and determination of such claims and the payment of such allowances. To facilitate the carrying out of agreements with State departments or agencies and to assist in the discharge of the Administrator's duties under this title, a representative of the Administrator, who shall be a war veteran separated from active service under honorable conditions and who at the time of appointment shall have been a bona fide resident of the State for at least two years, shall be located in each participating State department or agency.

"(b) The Administrator, consistent with the provisions of this title, shall prescribe such rules and regulations and require such records and reports as he may find necessary to carry out its purposes: *Provided, however*, That cooperative rules and regulations relating to the performance by Federal or State departments, or agencies, of functions under agreements made therewith may be made by the Administrator after consultation and advisement with representatives of such departments or agencies.

"(c) The Administrator may delegate to any officer or employee of his own or of any cooperating department or agency of any State such of his powers and duties, except that of prescribing rules and regulations, as the Administrator may consider necessary

and proper to carry out the purposes of this title.

"(d) Allowances paid by the cooperating State agencies shall be repaid upon certification by the Administrator. The Secretary of the Treasury, through the Division of Disbursement of the Treasury, and without the necessity of audit and settlement by the General Accounting Office, shall pay monthly to the departments, agencies, or individuals designated, the amounts so certified.

"(e) The Administrator shall from time to time certify to the Secretary of the Treasury for payment in advance or otherwise such sums as he estimates to be necessary to compensate any Federal department or agency for its administrative expenses under this title. Such sums shall cover periods of no longer than six months.

"(f) The Administrator shall also from time to time certify to the Social Security Board such State departments or agencies as may be participating in the administration of this title, and the amount of the administrative expense incurred or to be incurred by a State under agreements made pursuant to this section. Upon such certification the Social Security Board shall certify such amount to the Secretary of the Treasury, in addition to the amount, if any, payable by said Board under the provisions of section 302 (a) of the Social Security Act, as amended, and the additional amount so certified shall be paid to each State by the Secretary of the Treasury out of the appropriation for the Veterans' Administration.

"(g) Any money paid to any cooperating agency or person, which is not used for the purpose for which it was paid shall, upon termination of the period covered by such payment or the agreement with such agency or person, be returned to the Treasury and credited to the current appropriation for carrying out the purpose of this title, or, if returned after the expiration of period covered by this title, shall be covered into the Treasury as miscellaneous receipts.

"SEC. 1101 (a) No person designated by the Administrator as a certifying officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to the payment of any allowance certified by him under this title.

"(b) No disbursing officer shall in the absence of gross negligence, or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated by the Administrator.

"SEC. 1102. Any claimant whose claim for an allowance has been denied shall be entitled to a fair hearing before an impartial tribunal of the State agency or such other agency as may be designated by the Administrator. The representative of the Administrator located in each State shall be the final appellate authority in regard to contested claims arising in such State subject to review by the Administrator.

"SEC. 1103. In the case of any veteran eligible under the provisions of this title who either at the time of application for the benefits herein provided is a 'qualified employee' as defined in section 3 of the Railroad Unemployment Insurance Act, as amended, or was last employed prior to such application by an employer as defined in section 1 (a) of the said Act, claim may be made through an office operated by or a facility designated as a free employment office by the Railroad Retirement Board pursuant to the provisions of said Act. In such cases, the conditions and standards as to suitability of work or existence of good cause, the intervals for making claim for and payment of benefits, and the administrative and appellate procedures prescribed by or under said Act shall govern, if not in conflict with the provisions of this title, the appellate procedures being subject to final appeal to the Administrator. In such cases, a reference in this title to a cooperating State agency shall be deemed to include the Railroad Retirement Board.

"CHAPTER XII—DECISIONS AND PROCEDURES

"SEC. 1200. The authority to issue subpenas and provisions for invoking aid of the courts of the United States in case of disobedience thereto, to make investigations, and to administer oaths, as contained in title III of the Act of June 29, 1936 (49 Stat. 2033-34; U. S. C., title 38, secs. 131-133), shall be applicable in the administration of this title.

"CHAPTER XIII—PENALTIES

"SEC. 1300. Any claimant who knowingly accepts an allowance to which he is not entitled shall be ineligible to receive any further allowance under this title.

"SEC. 1301 (a) Whoever for the purpose of causing an increase in any allowance authorized under this title, or for the purpose of causing any allowance to be paid where none is authorized under this title, shall make or cause to be made any false statement or representation as to any wage, paid or received, or whoever makes or causes to be made any false statement of a material fact in any claim for any allowance under this title, or whoever makes or causes to be made any false statement, representation, affidavit, or document in connection with such claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

"(b) Whoever shall obtain or receive any money, check, or allowance under this title, without being entitled thereto and with intent to defraud the United States, shall be punished by a fine of not more than $1,000 or by imprisonment for not more than one year, or both.

"CHAPTER XIV—DEFINITIONS

"SEC. 1400. As used in this title—

"(a) The term 'week' means such period or periods of seven consecutive calendar days as may be prescribed in regulations by the Administrator.

"(b) The term 'wages' means all remuneration for services from whatever sources, including commissions and bonuses and the cash value of all remuneration in any medium other than cash.

"TITLE VI

"CHAPTER XV—GENERAL ADMINISTRATIVE AND PENAL PROVISIONS

"SEC. 1500. Except as otherwise provided in this Act, the administrative, definitive, and penal provisions under Public, Numbered 2, Seventy-third Congress, as amended, and the provisions of Public, Numbered 262, Seventy-fourth Congress, as amended (38 U. S. C. 450, 451, 454a and 556a), shall be for application under this Act. For the purpose of carrying out any of the provisions of Public, Numbered 2, as amended, and this Act, the Administrator shall have authority to accept uncompensated services, and to enter into contracts or agreements with private or public agencies, or persons, for necessary services, including personal services, as he may deem practicable.

"SEC. 1501. Except as otherwise specified, the appropriations for the Veterans' Administration are hereby made available for expenditures necessary to carry out the provisions of this Act and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this Act.

"SEC. 1502. Wherever used in this Act, unless the context otherwise requires, the singular includes the plural; the masculine includes the feminine; the term 'Administrator' means the Administrator of Veterans' Affairs; the term 'United States' used geographically means the several States, Territories and possessions, and the District of Columbia; the term 'State' means the several States, Territories and possessions, and the District of Columbia; and the phrases 'termination of hostilities in the present war', 'termination of the present war', and 'termination of the war', mean termination of the war as declared by Presidential proclamation or concurrent resolution of the Congress.

"SEC. 1503. A discharge or release from active service under conditions other than dishonorable shall be a prerequisite to entitlement to veterans' benefits provided by this Act or Public Law Numbered 2, Seventy-third Congress, as amended.

"SEC. 1504. The Administrator shall transmit to the Congress annually a report of operations under this Act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be.

"SEC. 1505. In the event there shall hereafter be authorized any allowance in the nature of adjusted compensation, any benefits received by, or paid for, any veteran under this Act shall be charged against and deducted from such adjusted compensation; and in the event a veteran has obtained a loan under the terms of this Act, the agency disbursing such adjusted compensation shall first pay the unpaid balance and accrued interest due on such loan to the holder of the evidence of such indebtedness to the extent that the amount of adjusted compensation which may be payable will permit."

And the House agree to the same.

J. E. RANKIN,
J. HARDIN PETERSON,
A. LEONARD ALLEN,
JOHN S. GIBSON,
EDITH NOURSE ROGERS,
PAUL CUNNINGHAM,
B. W. KEARNEY,
Managers on the part of the House.
BENNETT CHAMP CLARK,
WALTER F. GEORGE,
DAVID I. WALSH,
SCOTT W. LUCAS,
ROBERT M. LA FOLLETTE, Jr.,
JOHN A. DANAHER,
E. D. MILLIKIN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War II veterans, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause. The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment which is a sustitute for both the Senate bill and the House amendment, and that the House agree to the same.

The substantial differences between the House amendment and the proposed conference substitute are noted in the following statement.

TITLE I

The Senate bill authorized to be appropriated the sum of $500,000,000 for the construction of additional hospital facilities. The House amendment authorized the appropriation from time to time of such sums as may be necessary for this purpose. The conference agreement adopts the Senate provision.

In section 301 which provided for boards of review to review the type and nature of discharges, the House inserted a proviso establishing a statute of limitations of ten years after discharge of dismissal or after the effective date of the act, whichever is the later. The conference agreement fixes this limitation at fifteen years. The conference agreement also includes an additional section 302 authorizing, under similar conditions and limitations, the establishment of boards of review in cases of retirement of officers without pay because of physical disability.

TITLE II

The essential provisions of title II dealing with the education or training of veterans as passed by both Houses were very similar. Whereas the Senate bill provided for a Director of Servicemen's Education and Training in the Veterans' Administration, and authorized the establishment of an advisory council to aid and advise the Administrator in the execution of his duties under the educational provisions, and also provided for the creation of State boards, the House bill permits all of these functions to be carried out by the present administration machinery and also permits utilization of other Federal and State agencies. In this respect the conference agreement retains the House administrative machinery. There were some changes in the House bill in other respects which consist principally in the adoption of some of the criteria and definitions contained in the Senate bill. The more important of these changes are discussed below.

Under the House bill (paragraph 1) there was excluded from the qualifying period any period during which the person in service was assigned for education and training under the Army specialized training program or the Navy college training program. The conference agreement restricts this to courses which were a continuation of the person's civilian education and which were completed. A similar qualification was placed upon the extended eligibility for additional training and education.

The conference agreement also extended the presumption of interference with education or training to those who at time of entrance into service were not over 25 years of age, which in the House bill was 24 years of age.

The conference agreement includes a provision which was in the Senate bill but not in the House bill relating to the utilization of State apprenticeship agencies.

Both the Senate bill and the House amendment contained provisions for the determination and payment of educational fees or expenses where those regularly established, if any, were not sufficient. In the Senate bill this authority applied only in the case of publicly supported institutions. In the House amendment this was extended to tax-free private institutions. The conference agreement extends it to any institution and in place of an actual cost basis as stated in the House bill adopts the "fair and reasonable compensation" provision in the Senate bill. Both bills contained a $500 limitation which is retained in the conference agreement. In the agreement this applies to the ordinary school year without a qualification as to the number of weeks as contained in the House version.

In paragraph 8, in place of the proviso relating to Indian schools found in the House amendment, the conference agreement substituted a proviso (somewhat similar to a more general provision in the Senate bill) to the effect that nothing in the paragraph shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized by existing provisions of law to exercise over any Federal education or training institution nor to make any institution ineligible to supply education or training under this title by reason of supervision or control under authority of existing provisions of law.

The conference agreement adds paragraph 9 authorizing the Administrator as far as he deems practicable to utilize existing facilities and services of Federal and State departments and agencies on the basis of mutual agreements with them and includes the power to prescribe and promulgate rules and regulations consistent with the terms of the title and necessary to carry out its purposes and provisions.

The conference agreement added in paragraph 10 a provision similar to one contained in the Senate bill authorizing the Administrator to arrange for vocational guidance and to make available information respecting the need for general education and for trained personnel in the various crafts, trades, and professions.

The conference agreement adopts a paragraph 11 containing the definition of the term "educational or training institutions" in the Senate bill, inserting the word "all" before "public or private" in the definition to make it clear that church and other schools are included. There is included in this definition business or other establishments providing apprentice or other training on the job. The Senate bill contained a provision that such establishments should not be approved unless they complied with applicable State or Federal laws relating to compensation, health, safety, and other conditions of labor. The conference agreement omits this provision on the assumption that the Veterans' Administration will act in conformity with State and Federal laws.

The conference agreement omits a provision in the House bill which would have required that there be deducted from any allowances to which a person would otherwise have been eligible under title V, relating to unemployment allowances, any benefits received under title II.

TITLE III

The Senate bill provided for direct loans in an aggregate not to exceed $1,000 for the purposes of the purchase, construction, or repair of homes, the purchase of farms, or the repair of buildings or equipment thereon, or the purchase of business properties, including intangibles such as good will, to be used in pursuing a gainful occupation. The House amendment changed this to provide for the guaranteeing of not to exceed 50 percent of a loan or loans for such purposes and permitted the guarantee of loans made by any persons, firms, associations, and corporations, and governmental agencies and corporations, either State or Federal, and provided that in no event should the interest rate exceed 6 percent or the aggregate amount guaranteed for any person exceed $2,500. The conference agreement retains the principle of the House bill but limits the interest to 4 percent and the aggregate amount to not to exceed $2,000.

The conference agreement added in section 505 a provision containing the principles of the Senate bill relating to the utilization of Federal agencies making, guaranteeing, or insuring loans and a further provision that in the event of a principal loan so made, guaranteed, or insured by a Federal agency the Veterans' Administration may guarantee 100 percent of a secondary loan not to exceed 20 percent of the cost or purchase price to cover the usually required down payment. There was also added a provision from the Senate bill making a veteran eligible under this title also eligible under the Bankhead-Jones Farm Tenant Act, as amended, to the same extent as if he were a farm tenant.

The conference agreement includes a provision added to paragraph 500 (c) to make clear that the liability under the guaranty will be decreased or increased pro rata with any decrease or increase of the amount of the unpaid portion of the obligation.

The conference agreement includes a provision in section 501 (c) to make clear that a secondary loan under the provisions of this title would not make ineligible for insurance under the National Housing Act a first mortgage loan on the same property.

TITLE IV

The Senate bill in title IV provided for the strengthening of the functions of the Veterans' Employment Service in the United States Employment Service by authorizing the creation of a Veterans' Placement Service Board within the United States Employment Service, which Board would consist of the Administrator of Veterans' Affairs as Chairman and the Director of the National Selective Service System and the Administrator of the Social Security Agency; the members of the Board to be represented by alternates and the Board to have the authority to determine all matters of policy relating to the administration of the Veterans' Employment Service. It provided that the Chairman of the Board, through an executive secretary who is also the Chief of the Veterans' Employment Service, should have direct authority and responsibility for carrying out the policies of the Board through the veterans' employment representatives in the several States. The Senate bill in section 604 contained authority for sanctions penalizing a State (by withholding of funds) for failure to give preference to veterans on job assignments or to cooperate with the Board in carrying out the policies of the Board; and also provided that the Federal agency administering the United States Employment Service should maintain that service as an operating entity and during the period of its administration should effectuate the provisions of this title. The Senate bill further provided for the appointment of certain veterans' placement representatives in the States to be functionally responsible to the Board for carrying out prescribed policies and activities.

The House amendment provided for the transfer to the Veterans' Administration of all functions relating to the employment of veterans, and included in such transfer, effective the first day of the month following the enactment of the act, the duties, powers, and functions of the veterans' employment service; and, effective as of but not later than the date of termination of hotilities in the present war the duties, powers, and functions vested in the Director of Selective Service by subsection (g) of section 8 of the Selective Service Act of 1940, with the proviso that the President is authorized to effectuate such transfer at an earlier date. The Administrator would be authorized to appoint veterans' placement representatives to function in similar manner as provided in the Senate bill. The House amendment omitted the authority for sanctions provided in section 604 of the Senate bill and restricted to the period pending the return of the employment offices and services to the States the provision pertaining to the Federal agency administering the United States Employment Service maintaining such service as an operating entity. The House amendment also provided for the transfer of the necessary records and appropriations to the Veterans' Administration and in section 606 provided a definition of the term "veteran" to include veterans of any war, no such definition having been contained in the Senate bill.

The conference agreement adopts the principle of the Senate bill with amendments, the first of which is to eliminate the provision for alternates for members of the Board. In lieu of the provisions discussed above relating to the authority of the Board (sec. 600

(b)) the conference agreement adopts the following provision:

"(b) The Chairman of the Board shall have direct authority and responsibility for carrying out its policies through the veterans' employment representatives in the several States or through persons engaged in activities authorized by subsection (g) of section 8 of the Selective Service Act of 1940 (Public Law 783, 76th Cong., approved Sept. 16, 1940, as amended (U. S. C., title 50, sec. 308)). The Chairman may delegate such authority to an executive secretary who shall be appointed by him and who shall thereupon be the Chief of the Veterans' Employment Service of the United States Employment Service."

In lieu of the provision in the House amendment that veterans' employment representatives must have resided in the State for a period of at least 6 months prior to appointment, the conference agreement requires that such representatives shall have been at the time of appointment bona fide residents of the State for a period of at least 2 years. The conference agreement added to the duties of the veterans' employment representative that of being responsible for placement of veterans in employment. The conference agreement omits the provisions in the House bill relating to the transfer of personnel and functions to the Veterans' Administration and also with respect to the enforcement of the laws pertaining to veterans' preferences, but includes the provisions of the House amendment defining the term "veteran." The remaining provisions of the conference agreement are substantially those of the Senate bill with the omission of the sanctions contained in section 604 of the Senate bill.

The fundamental differences between the Senate and House bills were that the former would have imposed responsibility upon the Administrator of Veterans' Affairs, as chairman of an advisory board, to carry out the unemployment policies through the Veterans' Placement Service of the United States Employment Service; while the House bill would have given the Administrator the same responsibility but would have transferred to the Veterans' Administration the administrative machinery and the appropriation to accomplish such responsibility The conference agreement, in the changes adopted in sections 600 (b) and 1500 will permit the Administrator to utilize any Federal or State agency as well as volunteer services in administering the unemployment policies. This will accomplish essentially the same purpose as contemplated by the House bill with the exception that there is no transfer of agencies, machinery, or appropriations and the agreement does not contemplate any extension of the Veterans' Administration or the use of the appropriations for that agency, in employment matters.

TITLE V

The provisions of the Senate and House bills relating to readjustment allowances for unemployment benefits were essentially similar except as to—

(1) The total period of eligibility. The Senate bill prescribed 52 weeks and the House amendment 26 weeks.

(2) The penalties for successive disqualifications. The essential difference between the Senate bill and the House amendment with respect to this matter was that while the additional disqualifications prescribed do not differ materially in the House amendment the number of weeks penalty would reduce the total number of weeks of eligibility. The Senate bill did not contain any such provision.

(3) The scale of payments. The Senate bill provided a graduated scale from $15 to $25, depending upon the number of dependents, if any, and the House amendment provided a flat $20 weekly allowance.

(4) Conditions and standards for determining the suitability of work or the existence of good cause for not accepting a position. The Senate bill prescribed definite uniform criteria and the House amendment applied those of the particular State in which the claim is filed.

(5) The question of suitability of work based upon conditions of labor pertaining to joining or refraining from joining a union. The Senate bill had no such provision. The House amendment contained a provision to the effect that no work should be deemed suitable if as a condition of being employed the person would be required to join or to resign from or to refrain from joining any labor union or labor organization.

(6) The total weeks of allowances determinable upon length of service. The Senate bill provided that, within the limitation of 52 weeks total eligibility, the person's eligibility should depend upon the length of service allowing for each calendar month or fraction of active service 8 weeks of allowances. The House amendment reduced this to 3 weeks of allowances for each calendar month or major fraction thereof of active service.

(7) The question of allowances for self-employed persons. The Senate bill contained no such provision. The House bill contained a provision for payment of allowances to self-employed persons under certain prescribed conditions.

(8) The question of servicing of claims by the Railroad Retirement Board in lieu of the State agency in the cases of railway employees. The Senate bill contained no such provision. The House amendment provided for such servicing by the Railroad Retirement Board.

(9) The question of reporting changes in status and the penalty for failing to report such changes. The Senate bill contained provisions which were considered necessary with respect to reporting dependency changes. The House amendment omitted this requirement as it did the entire question of dependency benefits.

(10) The question of deductions for amounts for allowances or benefits received from other sources. The Senate bill provided for the deduction of allowances or benefits received under any Federal or State unemployment or disability compensation law, or a Federal or State noncontributory benefit. The House amendment omitted the noncontributory benefit.

(11) The question of offsetting benefits as between titles II and V. The Senate bill contained no such provisions. The House bill contained a provision to the effect that if a veteran receives allowances under title V and subsequently becomes entitled to benefits under title II, the benefits under said title II would be reduced by the allowances received under title V.

The conference agreement—

(1) Adopts 52 weeks as the total period of eligibility as provided in the Senate bill.

(2) Omits the shortening of the total period of eligibility by the penalties imposed for successive disqualifications as contained in the House amendment and restores the Senate language.

(3) Adopts the provision of the House amendment fixing a flat weekly allowance.

(4) Adopts the provisions of the House amendment applying the conditions and standards of the particular State for determining the suitability of work or existence of good cause, with an amendment authorizing the Administrator to prescribe such conditions and standards when the State law has none.

(5) Omits the House provision relating to suitability of work conditioned upon joining, resigning from, or refraining from joining a labor union or labor organization.

(6) Provides that an eligible veteran shall be entitled to 4 weeks of allowances for each calendar month or major fraction thereof of active service during the period specified in section 700 except that the allowance for the qualifying 90 days' service shall be 8 weeks for each such month.

(7) Adopts the House provision for payment of allowances to self-employed persons.

(8) Adopts the House provision for servicing the Railroad Retirement Board except that in the provision for application of the provisions of the Railroad Unemployment Insurance Act, such as conditions, standards and procedures, there has been inserted a provision that this shall apply if not in conflict with the provisions of this title.

(9) Omits the Senate provision for reporting changes in status.

(10) Omits the Senate provision providing for deduction of allowances or benefits received as a Federal or State noncontributory benefit.

(11) Omits the provision in the House amendment providing for deduction from benefits under title II of amounts received as allowances under title V.

TITLE VI

The provisions of the Senate bill and the House amendment relating to the general administrative and penal provisions were essentially similar. The House amendment added a reference to Public Law No. 262, Seventy-fourth Congress, relating to the cases of incompetent veterans. The House amendment required a discharge under honorable conditions as a prerequisite to entitlement to benefits under Public Law No. 2, as amended, and this act. The Senate bill required discharge under conditions other than dishonorable. The House bill also included a section providing for deductions of benfits under this act from payments made under any adjusted compensation law that might be enacted in the future.

The conference agreement transferred to title VI several definitions applicable to the several titles of the bill. It added a provision to the effect that for the purpose of carrying out any of the provisions of Public Law No. 2, as amended, and this act, the Administrator shall have authority to accept uncompensated services and to enter into contracts or agreements with private or public agencies or persons for necessary services, including personal services, as he may deem practicable.

The conference agreement includes the Senate provision requiring discharge under conditions other than dishonorable as a prerequisite for benefits under Public Law No. 2 and this act. This required conforming changes throughout the different titles of the bill.

The conference agreement retains the House provisions respecting deductions of allowances or benefits received under this act from any provided by any future adjusted compensation or similar act.

J. E. RANKIN,
J. HARDIN PETERSON,
A. LEONARD ALLEN,
JOHN S. GIBSON,
EDITH NOURSE ROGERS,
PAUL CUNNINGHAM,
B. W. KEARNEY,
Managers on the part of the House.

Mr. RANKIN. Mr. Speaker, let me say that the managers on the part of the House worked long and laboriously in the conference to try to reach an agreement that we thought would be most satisfactory. As the gentlewoman from Massachusetts [Mrs. ROGERS] has just said,

we preserved 75 percent of the House bill. Some of the changes that were made, we think, weaken the bill to some extent, but on the whole the bill finally agreed on in conference is a great improvement over the Senate bill.

If this bill goes too far, if it is found that it is too far-reaching in its application, the Congress will be back here in a few weeks and will be in session practically from then on, and those inequalities or injustices can be corrected.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Michigan.

Mr. DONDERO. Are the provisions pertaining to the education of veterans left substantially as they passed the House, in the hands of the States?

Mr. RANKIN. Yes, with very little change.

STATEMENT OF BENEFITS PROVIDED

Mr. Speaker, this measure will afford the following direct and indirect benefits for veterans of World War No. 2 and will afford some benefits of similar nature to veterans of other wars.

To be eligible for the benefits so provided—except as to employment—a man or woman must have served in the active forces of the Army, Navy, Marine Corps, or Coast Guard, or one of their components, during the period beginning September 16, 1940, and ending with the end of the present war. Such person must have served for a period of at least 90 days or have been sooner discharged for disability incurred in line of duty, and, in addition, must have been discharged or released from active service under conditions other than dishonorable.

TITLE I. HOSPITALIZATION, CLAIMS, AND PROCEDURES

First. Adequate organization of the Veterans' Administration to administer all veterans' benefits except employment.

Second. Adequate hospital facilities for the care and treatment of veterans for nonservice disabilities or diseases as well as for disabilities or diseases incurred in service.

Third. The right to have explained to him before discharge or release from active service all rights and benefits to which he may be entitled as a veteran, and an opportunity, if he so desires, to file a claim therefor.

Fourth. The right to adequate prosthetic appliances and necessary training to effect the greatest possible benefit in the use of such appliances.

Fifth. Adequate safeguards as against forced statements against interest.

Sixth. Adequate contact facilities in Army and Navy discharge centers including those furnished by the services, by the American Red Cross, by national veterans' organizations, and by the Veterans' Administration.

Seventh. Prompt transfer of the essential records of service departments to the Veterans' Administration and prompt adjudication of claims for benefits.

Eighth. The right of review in cases of irregular discharge or release from active service, (a) by the Administrator of Veterans' Affairs to determine whether the person at time of committing the offense was insane, in event of which determination benefits to which the person would otherwise be entitled shall not be forfeited; (b) except in case of separation by sentence of general court martial any enlisted man or officer may have a review by an authorized board to determine the correctness of such discharge or dismissal; (c) any officer retired or released to inactive status without pay may likewise have a review by an authorized board to determine retirement rights.

NOTE.—Under both (a) and (b) above, the claim for review must be filed within 15 years after discharge or dismissal or within 15 years after the effective date of the act, whichever be the later.

TITLE II. EDUCATION OF VETERANS

First. One year—or the equivalent thereof in continuous part-time study of education or training (a) at any school or institution of his own choice; (b) in any subject or subjects desired for which he is fitted.

Second. Not to exceed 3 additional years of education and training, dependent upon (a) length of service; (b) satisfactory progress in studies or training; (c) the condition that the person was not over 25 years of age at the time of entrance into service, or if over such age, that his education or training was impeded, delayed, interrupted, or interfered with by reason of entrance into service.

Third. Payment of all tuition and other fees, the cost of books, supplies, equipment, and other necessary expenses not to exceed a maximum of $500 per school year.

Fourth. Subsistence allowance while pursuing education or training in the amount of $50 per month if without dependents, or $75 per month with a dependent or dependents.

Fifth. Part-time attendance in a course of education or training at a reduced subsistence allowance or without allowance, but with payment of tuition and other expenses.

Sixth. The right to have released to him books and equipment furnished if he satisfactorily complete his course of education or training.

NOTE.—The right to vocational education for service-incurred disabilities extended to those who served during the period from September 16, 1940, to December 6, 1941.

TITLE III. LOANS FOR THE PURCHASE OR CONSTRUCTION OF HOMES, FARMS, AND BUSINESS PROPERTY

First. Loans for the purposes stated or for the alteration or improvement of buildings or equipment may be guaranteed not to exceed 50 percent of the loan, the total amount guaranteed as to any one person not exceeding an aggregate of $2,000; (a) loans may be made by an individual or by private or public—State or Federal—lending agencies or institutions; (b) interest rate must not exceed 4 percent per annum; (c) the loan must be practicable and suitable to the veteran's circumstances; (d) the loan must be repaid within 20 years; (e) the Government must have the right of subrogation to the extent of any guaranty paid; (f) the liability under the guaranty must decrease or increase with the decrease or increase of the amount of unpaid obligation; (g) the agreement must permit the Government to protect itself in case of default through the right to bid on foreclosure proceedings or to refinance; (h) the proceeds of the proposed loan must be used for one or more of the purposes specified and the circumstances must meet the specifications of the title.

Second. In the event a principal loan is made—or committed to be made—by a Federal lending agency, or to be guaranteed or insured by such agency, a loan for all or part of the balance of the purchase price may be guaranteed; (a) if it does not exceed $2,000; (b) if it does not exceed 20 percent of the cost or purchase price; (c) if the interest rate does not exceed by more than 1 percent the interest rate on the principal loan; (d) if the conditions otherwise meet those prescribed under (1) above.

Third. Any veteran eligible under title III shall also be eligible for the benefits of the Bankhead-Jones Farm-Tenant Act, as amended, to the same extent as if he were a farm tenant. Eligibility must be determined (a) by the Administrator of Veterans' Affairs, (b) by the Secretary of Agriculture.

TITLE IV. EMPLOYMENT OF VETERANS

First. The right to registration for employment and for placement in employment by the Veterans' Employment Service through (a) the United States Employment Service, (b) any State employment agency cooperating with the United States Employment Service.

NOTE.—First. This right applies to any veteran of any war discharged or released from active service under conditions other than dishonorable.

NOTE.—Second. While the Administrator of Veterans' Affairs is responsible for veterans' employment, this is not a function of the Veterans' Administration, but is retained in the United States Employment Service.

TITLE V. READJUSTMENT ALLOWANCES FOR FORMER MEMBERS OF THE ARMED FORCES WHO ARE UNEMPLOYED

Unemployment allowances of $20 per week while unemployed, subject to the following conditions:

First. The week of unemployment must have begun (a) after the first Sunday of the third calendar month after the effective date of the act; (b) not later than 2 years after discharge or release from active service or the termination of the war, whichever be the later date.

Second. The person is not receiving subsistence allowance for education or training under title II of the act, or increased pension for vocational training under Public Law No. 16, Seventy-eighth Congress.

Third. To be eligible, the person must (a) reside in the United States; (b) be completely unemployed—or if partially employed, at wages less than $23 per week; (c) be registered with and report to a public employment office; (d) be able to work and available for suitable work.

Fourth. Any person will be disqualified from receiving an allowance if (a) he leaves suitable work voluntarily without good cause, or is suspended or discharged for misconduct; (b) he, without good cause, fails to apply for suitable work or to accept suitable work offered; (c) he fails, without good cause, to attend an available free training course; (d) he is participating in a strike or labor dispute causing a work stoppage.

Fifth. Within the 52 weeks limit the total eligibility is determined by allowing 8 weeks of allowances for each of the first 3 months of service, and 4 weeks of allowances for each month or major fraction thereof of service beyond 3 months.

Sixth. No allowance may be paid for any period more than 5 years after the end of the war.

Seventh. The allowance of $20 per week will be reduced by any Federal or State unemployment or disability compensation—other than pension, compensation, or retired pay paid by the Veterans' Administration—received by the veteran for the same period of time.

Eighth. Any person self-employed for profit in an independent establishment, trade, business, profession, or other vocation is eligible for readjustment allowances (a) if net earnings are less than $100 for the previous calendar month; (b) the amount of allowance to be the difference between the net earnings and $100 per month; (c) the conditions as to eligibility otherwise as provided in title V.

Ninth. Severe penalties are provided for fraud and misrepresentation in connection with claims for readjustment allowances.

Tenth. Readjustment allowance claims are to be serviced by State agencies or as to railway employees, by the Railroad Retirement Board.

Eleventh. Right of appeal from any such agency to the Administration of Veterans' Affairs is preserved.

TITLE VI. GENERAL ADMINISTRATIVE AND PENAL PROVISIONS

First. By definition "veterans" are included those who reside within the continental United States, several States, Territories and possessions, and the District of Columbia.

Second. A discharge or release from active service under conditions other than dishonorable is made a prerequisite to entitlement to benefits under Public Law No. 2, as amended, as well as this act. This will apply to (a) pensions, (b) compensation, (c) hospitalization, (d) domiciliary care, (e) vocational training, (f) benefits provided by this act.

Mr. Speaker, this bill is not perfect by any means, and no doubt many changes will have to be made later. But, under the circumstances, it is the very best we could get.

I hope the conference report will be adopted unanimously.

I now move the previous question.

Mr. CUNNINGHAM. Mr. Speaker, S. 1767, known as the G. I. bill of rights, as it came from conference is substantially the bill as it passed the House; in fact, about 75 to 85 percent is the House version.

In title I there are no material changes, except that the amount is now fixed at $500,000,000, the same as in the original Senate bill; whereas, the bill as is passed the House contained a clause that whatever amount is necessary be expended for the rehabilitation and hospitalization of the veterans. It contains the provision for prosthetic appliances and instruction in the use thereof. It also contains the provision that any waiver signed by a veteran will be null and void and of no force and effect and cannot be used against him as a bar to any claim he may file in the future.

Title II is substantially as the bill passed the House, except that the provision that those veterans who were not over 24 years of age when they entered the service shall be deemed to have had their education interrupted or impeded, has been changed to the age of 25.. This, your conferees feel, is an improvement over the bill as passed by the House.

Title III has two important changes only, to wit: the amount of the loan guaranteed is now $2,000 and the interest rate is not to exceed 4 percent. Also, the veteran may secure his loan either from a private, State, or Federal lending agency when it has been approved by the Administrator; and he can borrow any amount he wishes that the lending agency will lend him, with up to $2,000 of it guaranteed by the Government.

Title IV is the Senate version with a modification to the effect that the jurisdiction of future legislation in the House will be retained by the Veterans' Committee of the House. Your conferees were willing to accept the Senate version with this modification as they did not want the Senate version in its original form for fear it would take from the Veterans' Committee of the House jurisdiction over future legislation for the veteran and place it in some other committee.

Title V has been changed from 26 weeks to 52 weeks, leaving the House version of a flat rate of $20 per week, and with no limitation as to time except the maximum of 5 years after the war for the provisions of the bill. The clause in title V that is objectionable to organized labor was removed by your conferees.

Section 1505 remains in the bill. This is the section that provides that from any subsequent legislation in the nature of adjusted compensation shall first be deducted any and all benefits paid or advanced to the veteran or guaranteed to him in the nature of a loan under the provisions of titles II and III. However, your conferees removed the section that prohibited the veteran from taking benefits under both titles II and III, and therefore it is really immaterial whether section 1505 is now in the bill or not, although your conferees thought it best to leave it in. The reason for section 1505 being placed in the bill in the first instance was to equalize the inequality occasioned by one veteran being able to get a gift for education and the veteran who could not go to school getting a loan he would have to pay back, and it was the thought of your House committee that section 1505 would equalize that inequality if and when adjusted compensation is enacted; but now, since your conferees have agreed that the veteran can receive both the loan and the education, section 1505 is more or less meaningless except as a suggestion or a guide to a future Congress.

Mr. Speaker, your House conferees feel that they are presenting to you a much better bill than originally passed by the Senate and a still better bill than passed by the House, at the same time retaining in the bill the House provisions that are most advantageous to the veteran. This is now a veteran's bill and not a bill for the benefit of any particular group or class of our people outside the veterans. It retains to the veteran the right to select his own school and also retains to the States complete control and jurisdiction over their educational institutions and it in no way sets up a bureau or agency in Washington that will have any control over how the educational institutions shall be run or what they shall teach. It retains for private banks and other legitimate lending agencies the right to do business with the veteran and also preserves to the veteran the right and the opportunity to secure his loan in his home community without going to Washington and being subjected to unnecessary red tape. The bill is not as perfect as your conferees would like to have it, but, on the whole, we feel it is one that will be of great benefit to the veteran and a credit to this Congress.

Permit me at this time to express my appreciation to our chairman, the gentleman from Mississippi [Mr. RANKIN]; our ranking Republican member, the gentlewoman from Massachusetts [Mrs. ROGERS]; and the other members of the committee for the excellent work they did for the veteran in this bill.

Mr. GILLIE. Mr. Speaker, I am happy and proud to have an opportunity to vote today for the G. I. bill which has been agreed upon by the House and Senate conferees. It is an opportunity to encourage those boys of ours who are fighting with such bravery in all the theaters of this terrible war, and it comes at a time when they are making a supreme and costly effort to carry out the most difficult and dangerous mission of this war. It is an opportunity to tell those boys all over the world who are straining and suffering and dying on land, on the seas, and in the air, that we at home are thinking of them and are doing our best for them and will not shirk our responsibilities to them even as they are not shirking but, rather, surpassing their duties in this vast war. Each vote for this bill will be a message of support to those men.

Let us tell them we are mindful of the sacrifices they are making. Let us tell them that though what we here can do may seem pitifully small in view of the terrible sacrifices they are making, we are willing and eager to do whatever we can to make their return to peacetime life the happy experience they are fighting for and dreaming of. Let us tell them we are getting ready for their return,

and let us make their return live up to their hopes. Let us erase from their minds the fears that they will return to a country which has forgotten that they will need jobs and security and education and hospitals. It would be tragic for those boys of ours to be disturbed by such doubts now, so let us send them assurances that we will exert every effort to see that they will not be penalized in ways which we can prevent for serving their country. Voting for this bill is one way of sending them such assurances and of easing their minds as they fight on of the doubts they may have about finding their rightful places in the post-war economic life of the country they love. My enthusiastic support of this bill does not mean that I feel it is the answer to all our post-war problems, nor even that I feel it is a complete solution of the problems that will arise directly out of the needs of our returning service men and women. I do feel, however, that this much we can and must do now.

Mr. ROBSION of Kentucky. Mr. Speaker, the Senate passed S. 1767, known as the G. I. bill of rights, backed by the American Legion, Veterans of Foreign Wars, and other veterans granting certain benefits and relief to veterans of World War No. 2. This measure then came to the House and was passed by the House with some amendments. The two bills were then referred to the conference committee of the House and Senate made up of seven Members of the Senate and seven Members of the House. After some weeks of consideration, the conferees ironed out the differences between the two bills and made a unanimous report to the House and the Senate, and this conference report will receive the unanimous approval of the House and Senate and then it goes to the President for his approval or disapproval. If he approves this conference report, then it will become the law. No measure ever enacted by Congress is so comprehensive as the G. I. bill of rights, S. 1767. It will cover first and last more than 15,000,000 men and women that have been and will be taken into our armed services since the adoption and approval of the Selective Service Act, September 16, 1940, and before the close of our present war. I shall enumerate some of the benefits that will accrue to those who serve and receive honorable discharges.

First. It makes adequate provision for hospitalization for all these men and women who now or may in the future require such hospitalization.

Second. It provides for rehabilitation of these service men and women by giving them an oportunity to complete their education or vocational training. It is presumed that all those who entered our armed services under 25 years of age, their education or training was arrested, and they will have an opportunity of taking additional educational training or vocational training, and while taking this training the Government will pay tuition up to the amount of $500 a year and provide $50 a month for support, and an additional $25 a month if the service man or woman has a dependent. Those over 25 years of age may take this training provided they can prove that their educational or vocational training was arrested when they entered the service. There was considerable concern expressed by persons all over the country that the Federal Government might take over or control our public and private educational institutions. This bill, as finally agreed upon, permits the service man or woman to select the course of training he or she desires to pursue as well as the school, and the Federal Government will have no control over such school or schools. These young men and women will fill up our schools after the war, both private and public institutions and better equip themselves for their life work.

Third. The bill provides aid to the service man and woman in securing loans for the purchase or construction of homes, farms, and business property, in that the Government will guarantee not to exceed 50 percent of the loan or loans for any of these purposes up to but not to exceed the sum of $2,000. These loans may be secured from banks or individuals. The interest cannot exceed 4 percent. The interest for the first year on the part guaranteed by the Government will be paid by the Government. This means that a service man or woman may borrow $4,000 for the purchase or construction of a home, farm, or start a business, and the Government will guarantee as much as 50 percent of the loan or credit; or the service man or woman may contract for a home, farm, or business property for any total he may desire but the Government will not guarantee more than 50 percent and not to exceed $2,000. Of course, in making the purchases of homes, farms, and business property, the service man or woman may not contract for same at a price in excess of the reasonable, normal value of the property as determined by a proper appraisal.

Fourth. In order to protect our millions of service men and women who may come home and not be able to secure employment for a period, this act provides that these service men and women may receive $20 a week for such time as they may be unemployed for a period of 52 weeks during the first 2 years after their discharge from the service. Of course, the various agencies of the Government are charged with aiding these service men and women to find employment.

It will be seen that this measure, in the first instance, provides hospitalization for the disabled service men and women. Congress has already voted compensation for those disabled in the service ranging from $10 to $250 in extreme cases, loss of limbs, eyes and requiring the aid and attendance of another person, and practically all of these service men and women do and will carry Government insurance. Congress has also provided compensation for the widows, minor children, and dependent parents of these service men and women. In view of the millions that are and will be covered by this legislation and the provisions made for them, this act involves the expenditure of many billions for and on behalf of our service men and women, and their dependents.

I might add that Congress sometime ago passed a muster-out pay bill for service men and women of the present war. The muster-out pay bill provides that those who served less than 60 days will receive $100; those who served more than 60 days in continental United States will receive $200, and those who served 60 days or more outside of continental United States and in Alaska will receive $300; provided they did not secure their discharge on their own application to take employment in civil life.

VETERANS OF OTHER WARS AND THEIR DEPENDENTS

The Seventy-eighth Congress has not forgotten the heroic services of our defenders in World War No. 1, the Spanish-American War, the Indian Wars, and those who have served our country in the Regular Establishment. To meet in a measure the high cost of living, Congress increased the compensation of veterans of World War No. 1 for service-connected disabilities 15 percent, and increased the pensions of their widows and minor children. After World War No. 1 educational training and vocational rehabilitation was provided for veterans of World War No. 1. They received a small muster-out pay of $60. Under the present law, widows and children of veterans of World War No. 1 cannot secure compensation or pension unless they prove that the veteran received a permanent service-connected disability in line of duty. The House, in the Seventy-seventh Congress, passed an act removing this limitation. The bill went to the Senate but was not acted upon in the Senate. About a month ago, in this the Seventy-eighth Congress, the House passed a similar bill for the widows and minor children of these non-service-connected veterans and that bill has gone to the Senate for action. World War No. 1 veterans receive the same compensation for service-connected disabilities as veterans of World War No. 2.

Under the act of May 27, 1944, veterans of World War No. 1 and World War No. 2 who cannot establish service connection for their disabilities but who are 65 years of age or are totally and permanently disabled receive pensions ranging from $50 to $60 per month.

In view of the increased cost of living, the Seventy-eighth Congress increased the pensions of Spanish War veterans so that practically all of them now receive $75 per month and many of them $100 per month, and also increased the pensions of widows of Spanish War veterans when they attain certain age, and also moved up the marriage date to January 1, 1938.

Veterans of the Regular Establishment, who received their disabilities in line of duty, had their pensions increased to 75 percent of the rates fixed for veterans receiving service-connected disabilities in time of war.

Veterans who served in the Indian wars also received an increase.

It was my pleasure to support these measures. I have always placed the defenders of our country first. It was through our heroic defenders that we gained our independence and established

this Nation. They have maintained and preserved it ever since. They are today on land, sea, and in the air fighting heroically to preserve this Nation. We want our heroes of today and those who have served us in our other wars to know that this Nation is grateful. We cannot do too much for them or their dependents.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker anounced that the ayes seemed to have it.

Mr. RANKIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 380, nays 0, not voting 48, as follows:

[Roll No. 87]

YEAS—380

Abernethy	Compton	Grant, Ind.
Allen, Ill.	Cooper	Green
Allen, La.	Costello	Gregory
Andersen, H Carl	Courtney	Griffiths
	Cox	Gross
Anderson, Calif.	Cravens	Gwynne
Anderson, N. Mex.	Crawford	Hagen
	Crosser	Hale
Andresen, August H.	Cunningham	Hall, Edwin Arthur
	Curley	
Andrews, Ala.	Curtis	Halleck
Andrews, N. Y.	D'Alesandro	Hancock
Angell	Davis	Hare
Arends	Dawson	Harness, Ind.
Auchincloss	Day	Harris, Ark.
Barrett	Delaney	Hart
Barry	Dewey	Hartley
Bates, Ky.	Dickstein	Hays
Bates, Mass.	Dilweg	Hébert
Beall	Dirksen	Heffernan
Beckworth	Disney	Heidinger
Bender	Dondero	Hendricks
Bennett, Mich.	Doughton	Herter
Bennett, Mo.	Douglas	Hess
Bishop	Drewry	Hill
Blackney	Durham	Hinshaw
Bland	Dworshak	Hobbs
Bloom	Eberharter	Hoch
Bolton	Elliott	Hoeven
Bonner	Ellison, Md.	Hoffman
Boykin	Ellsworth	Holifield
Bradley, Mich.	Elmer	Holmes, Mass.
Bradley, Pa.	Elston, Ohio	Holmes, Wash.
Brehm	Engel, Mich.	Hope
Brooks	Engle, Calif.	Horan
Brown, Ga.	Fay	Howell
Brown, Ohio	Feighan	Hull
Brumbaugh	Fellows	Izac
Bryson	Fenton	Jackson
Buffett	Fernandez	Jarman
Bulwinkle	Fish	Jeffrey
Burch, Va.	Fisher	Jenkins
Burchill, N. Y.	Fitzpatrick	Jennings
Burgin	Flannagan	Jensen
Bushey	Fogarty	Johnson, Anton J.
Butler	Folger	
Byrne	Fulmer	Johnson, Calvin D.
Camp	Furlong	
Canfield	Gale	Johnson, Ind.
Cannon, Fla.	Gamble	Johnson, J. Leroy
Carlson, Kans.	Gathings	
Carrier	Gavin	Johnson, Luther A.
Carson, Ohio	Gearhart	
Carter	Gerlach	Johnson, Lyndon B.
Case	Gibson	
Celler	Gifford	Johnson, Okla.
Chenoweth	Gilchrist	Johnson, Ward
Chiperfield	Gillespie	Jones
Church	Gillette	Jonkman
Clark	Gillie	Kean
Clason	Goodwin	Kearney
Clevenger	Gordon	Kee
Cochran	Gore	Keefe
Coffee	Gorski	Kefauver
Cole, Mo.	Gossett	Kelley
Cole, N. Y.	Graham	Kennedy
Colmer	Grant, Ala.	Keogh
Kerr	O'Brien, Mich.	Smith, Va.
Kilburn	O'Brien, N. Y.	Smith, W. Va.
Kilday	O'Hara	Smith, Wis.
Kinzer	O'Konski	Snyder
Kirwan	O'Neal	Somers, N. Y.
Kleberg	O'Toole	Sparkman
Knutson	Outland	Spence
Kunkel	Pace	Springer
LaFollette	Patton	Stanley
Lambertson	Peterson, Fla.	Starnes, Ala.
Landis	Pfeifer	Stefan
Lane	Philbin	Stevenson
Lanham	Phillips	Stigler
Larcade	Pittenger	Stockman
Lea	Ploeser	Sullivan
LeCompte	Poage	Sumner, Ill.
LeFevre	Poulson	Sumners, Tex.
Lesinski	Powers	Sundstrom
Luce	Pracht, C. Frederick	Taber
Ludlow		Talbot
Lynch	Pratt, Joseph M.	Talle
McConnell		Tarver
McCormack	Price	Taylor
McCowen	Priest	Thomas, N. J.
McGehee	Ramey	Thomas, Tex.
McGregor	Ramspeck	Thomason
McKenzie	Randolph	Tibbott
McLean	Rankin	Tolan
McMillan	Reece, Tenn.	Torrens
McMurray	Reed, Ill.	Towe
McWilliams	Reed, N. Y.	Treadway
Maas	Rees, Kans.	Troutman
Madden	Richards	Vincent, Ky.
Mahon	Rivers	Vinson, Ga.
Maloney	Rizley	Voorhis, Calif.
Manasco	Robertson	Vorys, Ohio
Mansfield, Mont.	Robinson, Utah	Vursell
	Robsion, Ky.	Wadsworth
Marcantonio	Rockwell	Walter
Martin, Iowa	Rodgers, Pa.	Ward
Martin, Mass.	Rogers, Mass.	Wasielewski
Mason	Rohrbough	Weaver
May	Rolph	Weichel, Ohio
Merritt	Rowan	Weiss
Michener	Rowe	Welch
Miller, Conn.	Russell	Wene
Miller, Nebr.	Sabath	West
Miller, Pa.	Sadowski	Whitten
Monkiewicz	Satterfield	Whittington
Monroney	Sauthoff	Wickersham
Morrison, N. C.	Scanlon	Wigglesworth
Mott	Schiffler	Willey
Mruk	Schwabe	Wilson
Mundt	Scott	Winstead
Murdock	Scrivner	Winter
Murphy	Shafer	Wolcott
Murray, Tenn.	Sheridan	Wolfenden, Pa.
Murray, Wis.	Short	Wolverton, N. J.
Myers	Sikes	Woodruff, Mich.
Newsome	Simpson, Ill.	Woodrum, Va.
Norman	Simpson, Pa.	Worley
Norrell	Slaughter	Wright
Norton	Smith, Maine	Zimmerman
O'Brien, Ill.	Smith, Ohio	

NAYS—0

NOT VOTING—48

Arnold	Ford	Merrow
Baldwin, Md.	Fulbright	Miller, Mo.
Baldwin, N. Y.	Fuller	Mills
Barden	Gallagher	Morrison, La.
Bell	Granger	O'Connor
Boren	Hall, Leonard W.	Patman
Buckley		Peterson, Ga.
Burdick	Harless, Ariz.	Plumley
Cannon, Mo.	Harris, Va.	Rabaut
Capozzoli	Judd	Sasscer
Chapman	King	Sheppard
Cooley	Klein	Stearns, N. H.
Dies	Lemke	Stewart
Dingell	Lewis	Whelchel, Ga.
Eaton	McCord	White
Ellis	Magnuson	
Forand	Mansfield, Tex.	

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Cannon of Missouri with Mr. Miller of Missouri.

Mr. Harless of Arizona with Mr. Eaton.

Mr. Rabaut with Mr. Judd.

Mr. Mills with Mr. Arnolds.

Mr. Mansfield of Texas with Mr. Plumley.

Mr. Klein with Mr. Lewis.

Mr. McCord with Mr. Fuller.

Mr. King with Mr. Merrow.

Mr. Capozzoli with Mr. Ellis.

Mr. Peterson of Georgia with Mr. Lemke.

Mr. Buckley with Mr. Leonard W. Hall.

Mr. Fulbright with Mr. Stearns of New Hampshire.

Mr. Sheppard with Mr. Gallagher.

Mr. Forand with Mr. Baldwin of New York.

Mr. Baldwin of Maryland with Mr. Burdick.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

GENERAL LEAVE TO EXTEND

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks in the RECORD on this bill and that those who desire to do so may have their remarks inserted in the RECORD of today preceding the roll call.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MAY. Mr. Speaker.

The SPEAKER. The Chair recognizes the gentleman from Kentucky but is not going to recognize Members generally at this time because we have a heavy calendar of business.

WAR CONTRACT TERMINATION

Mr. MAY. Mr. Speaker, I believe, for the information of the membership, it would be a good idea to have printed in the RECORD the bill reported by the House Committee on Military Affairs on the termination of war contracts together with the bill as proposed to be amended by the committee showing proposed committee amendments in italics. I ask unanimous consent that this be done.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The bill referred to follows:

[H. R. 3022 as reported by House Committee on Military Affairs]

Be it enacted, etc., That this act may be cited as the "War Contracts Settlement Act."

DEFINITIONS

SEC. 2. As used in this act, the term—

(a) "War contract" means either a prime contract or a subcontract.

(b) "War contractor" means the holder of one or more war contracts.

(c) "Prime contract" means a contract or agreement entered into, or a purchase order given, by a contracting agency and connected with or related to the prosecution of the war.

(d) "Prime contractor" means the holder of one or more prime contracts:

(e) "Subcontract" means a contract, agreement, or purchase order connected with or related to the performance of a prime contract or of any other subcontract, but does not include any contract or agreement for the performance of services as an employee.

(f) "Subcontractor" means the holder of one or more subcontracts.

(g) "Contracting agency" means any department, agency, or instrumentality of the United States which is or at any time has been authorized to make contracts pursuant to section 201 of the First War Powers Act, 1941.

(h) "Termination" means the cancelation, in whole or in part, of work under a war contract for any reason except the default of the war contractor, and the terms "terminate" and "terminated" shall be construed accordingly.

(i) "Termination claim" means any claim by a war contractor under a terminated war contract.

ADVANCE NOTICE OF TERMINATION

SEC. 3. It is the policy of the United States to provide that notice of termination of war contracts be given to the war contractors as far in advance of the actual termination of such contracts as is feasible and consistent with the national security. To carry out this policy—

(a) each contracting agency shall provide prime contractors, to the fullest extent feasible, with advance notice of termination of any prime contracts held by them;

(b) each prime contractor upon receiving notice of termination of any prime contract held by him shall forthwith provide his subcontractors with notice of termination of their subcontracts connected with or related to such prime contract;

(c) each subcontractor upon receiving notice of termination of any subcontract held by him shall forthwith provide his subcontractors with notice of termination of their subcontracts connected with or related to such subcontract;

(d) each contracting agency shall limit the termination of any prime contract in such manner as may be appropriate so as to (1) provide for the completion of work in process under such prime contract and under subcontracts wherever such completion will result in a saving to the United States, and (2) provide for the continuation of work under such prime contract and under subcontracts for the purpose of avoiding injury to plant and material.

TERMINATION CLAIMS

SEC. 4. (a) Whenever a war contract is terminated, the contracting agency—

(1) shall first endeavor to make a tentative agreement (as provided in section 7) with the war contractor with respect to the amount due on account of items which can be promptly determined with reasonable certainty, and if such a tentative agreement is made shall forthwith pay, subject to subsection (b), to the war contractor an amount equal to 100 percent of such items. So far as practicable, the contracting agency shall endeavor to make such a tentative agreement and such payment within 30 days after application by the war contractor for payment under this paragraph;

(2) shall pay, subject to subsection (b), to the war contractor an amount equal to 90 percent of the minimum amount due on all items with respect to which an agreement is not made under paragraph (1), such minimum amount to be (A) the minimum amount estimated as due with respect to such items by the contracting agency, or (B) the minimum amount estimated as due with respect to such items by the war contractor, whichever is the lesser. So far as practicable, the contracting agency shall make such payment within 30 days after application by the war contractor for payment under this paragraph;

(3) subject to subsection (c), shall guarantee loans to the war contractor to the extent of the excess of the minimum amount of his termination claim over any payments or loans theretofore made to the war contractor on account of the termination. Such minimum amount shall be that estimated by the war contractor or that estimated by the contracting agency, whichever is the lesser;

(4) shall reimburse the war contractor for interest paid by him on any loan guaranteed in whole or in part under paragraph (3), but if the minimum amount of the termination claim determined under paragraph (3) exceeds the amount of the termination claim as finally determined, no reimbursement shall be made for interest on the portion of the loan which is equal to such excess.

(b) Payments under subsection (a) (1), if made to a subcontractor, shall be either payments in purchase, or payments for the assignment, of his termination claim with respect to the items involved, as determined by agreement with the subcontractor. In the case of any payment to a subcontractor under subsection (a), the contracting agency shall provide for the subrogation of the United States to the rights of the subcontractor to the extent of such payments. In determining the amount of any payment to be made to a war contractor under subsection (a), proper adjustments shall be made to reflect payments under such subsection to subcontractors of such war contractor.

(c) No guaranty of any loan under subsection (a) shall be made unless it is determined by the contracting agency concerned that the war contractor has shown the loan to be necessary in order to enable him to continue operations, and unless it is further determined by such contracting agency that there is reason to believe, on the basis of the war contractor's business record, that the loan in respect of which the guaranty is proposed, will be repaid in accordance with the terms of the loan agreement. The contracting agency, as a condition of any guaranty of a loan to a war contractor under this section, shall require that the war contractor assign, to the person making the loan or to the United States, or to both as their interests may appear, the termination claim in respect of which such loan is made and shall not require the giving of any other security.

(d) In case any payment under subsection (a) (2) exceeds the portion of the claim, as finally determined, remaining after making payments under subsection (a) (1), the excess shall be deemed a loan to the war contractor, payable on demand, with interest at such rate (not to exceed 6 percent per annum) as may be fixed by the contracting agency concerned for the period beginning with the date of the payment under subsetion (a) (2) and ending with the date on which the excess is repaid.

(e) In order to expedite the making of payments to war contractors under subsection (a), such payments shall be made prior to audit and settlement by the General Accounting Office, and no disbursing officer making any such payment in accordance with a duly certified voucher shall be personally liable for such payment in the absence of fraud or bad faith on his part. In settling the accounts of any such disbursing officer the General Accounting Office shall allow such disbursements made by him notwithstanding any other provision of law. Nothing in this subsection shall affect the liability of any certifying officer or affect the liability of any war contractor to repay to the United States any amount paid to him contrary to law.

(f) No loan, guaranty, commitment, or advance or partial payment, in connection with the termination of any war contract, shall be made by any officer or agency in the executive branch of the Government except as authorized by this act.

REMOVAL AND STORAGE OF MATERIALS

SEC. 5. (a) It is the policy of the United States, upon the termination of any war contract, to insure the expeditious removal from the plant of the war contractor of all materials, machinery, and equipment which relate to such terminated war contract and for which the United States is responsible.

(b) To carry out this policy each contracting agency shall provide—

(1) for the submission by the war contractor to the contracting agency of statements, in such form and detail as it may prescribe, showing the materials, machinery, and equipment related to a terminated war contract for which the United States is responsible;

(2) for the removal of such materials, machinery, and equipment by the contracting agency within 30 days after the submission of such statements or within such longer period as the war contractor may agree;

(3) for the removal and storage of such materials, machinery, and equipment by the war contractor at the risk and expense of the United States upon the failure of the contracting agency so to remove them.

UNIFORMITY OF POLICIES AND ADMINISTRATION

SEC. 6. (a) There shall be in the General Accounting Office a War Contracts Settlement Board (hereinafter called the "Board") which shall consist of not less than three and not more than nine members, who shall be appointed by the Comptroller General of the United States. The Comptroller General shall designate one of the members as chairman. The members of the Board shall receive compensation at such rate as may be fixed by the Comptroller General.

(b) Any action authorized, required, or permitted to be taken by any contracting agency or war contractor under this act, or under the provisions of any prime contract which relate to the termination of such contract, shall be taken only subject to and in accordance with such regulations prescribed by the Board, as the Board deems necessary to insure efficient administration of this act and to insure the application by the contracting agencies of uniform policies in respect of the termination of war contracts and the consideration and settlement of termination claims.

AUTHORITY TO MAKE AGREEMENTS SETTLING TERMINATION CLAIMS

SEC. 7. (a) No officer or agency in the executive branch of the Government shall have power to make an agreement with a war contractor determining the amount due on any termination claim or any part thereof, except as provided in this section.

(b) Whenever a war contractor and a contracting agency are in agreement with respect to the amount due on any termination claim or part thereof, the contracting agency is authorized to make a tentative agreement with the war contractor with respect thereto. The contracting agency, upon making such tentative agreement, shall forthwith submit such agreement together with all supporting data, to the Board for approval. Such tentative agreement shall become final and binding on all parties thereto 6 months after its submission to the Board for approval, unless within such 6 months, the Board disapproves such tentative agreement and so notifies the contracting agency and the war contractor.

(c) If the Board disapproves a tentative agreement under subsection (b), it shall prepare a statement of its objections thereto and transmit such statement to the contracting agency and the war contractor with its notification of disapproval. Thereupon the contracting agency shall endeavor to make a final agreement with the war contractor containing the provisions to which the Board did not make objection, provisions which meet the objections of the Board to the previous tentative agreement, and no others.

(d) For the purposes of this section, the Board is authorized to administer oaths to witnesses, to make such investigations, hold such hearings and conferences, require by subpena the attendance of such witnesses and the production of such books, papers, and documents as it deems necessary.

APPEAL

SEC. 8. (a) Whenever any prime contractor has submitted a termination claim, in substantially the form prescribed under this act, to the contracting agency responsible for settling it, and such claim has not been

settled by agreement with the contracting agency, or only a part of such claim has been so settled, the contracting agency shall prepare written findings of the amount determined by it to be due on such claim or the unsettled part thereof, shall transmit such findings, together with all supporting data, to the Board, and transmit by registered mail a copy of such findings and data to the contractor. Such findings and data shall be transmitted to the contractor by the contracting agency within 60 days after the date of his demand therefor.

(b) Within 90 days after the mailing of the findings of the contracting agency to the prime contractor under subsection (a), the prime contractor may, at his election—

(1) submit his claim or the unsettled part thereof to the Board or a termination claim adjuster (provided for in subsection (d)), and if aggrieved by the decision of the Board or adjuster, within 90 days after the making of such decision bring suit against the United States as provided in paragraph (3); or

(2) submit such claim, or such part thereof, to arbitration in accordance with subsection (e) of this section; or

(3) bring suit against the United States for such claim, or such part thereof, in the Court of Claims or in a United States district court, in accordance with subsection (20) of section 24 of the Judicial Code (U. S. C., 1940 ed., title 28, sec. 41 (20)).

(c) Any proceeding under subsection (b) of this section shall be governed by the following conditions:

(1) If a prime contractor does not initiate proceedings in accordance with subsection (b) within 90 days after the mailing to him of the findings by the contracting agency, he shall be precluded from submitting his claim or the unsettled part thereof to the Board or to arbitration, and shall be precluded from bringing suit for such claim or part thereof against the United States until after the audit and settlement thereof by the General Accounting Office in the manner provided by law.

(2) Notwithstanding any contrary provision in any war contract, the Board, termination claim adjusters, arbitrators, and court shall not be bound by the findings of the contracting agency, but shall treat such findings as prima facie correct, and the burden shall be on the prime contractor to establish that the amount due on his claim exceeds the amount allowed by the contracting agency. The Board, termination claim adjusters, arbitrators, or court may increase or decrease the amount allowed by the contracting agency.

(3) When a prime contractor has initiated such proceedings by one method under subsection (b) of this section, he shall, except as provided in subsection (b) (1), be precluded from initiating proceedings by any other method thereunder.

(d) (1) There shall be in each judicial district one or more termination claim adjusters who shall be appointed by the Comptroller General of the United States. They shall receive compensation at the same rate as members of the Board.

(2) Any determination made under this section by the Board or a termination claim adjuster shall, if made within 6 months after the termination claim concerned is submitted to the Board or such adjuster, as the case may be, be final and conclusive upon the Comptroller General of the United States, the General Accounting Office, and all officers and agencies in the executive branch of the Government. If such determination is not made within such 6 months, the findings of the contracting agency with respect to the termination claim concerned shall be final and conclusive upon the Comptroller General of the United States, the General Accounting Office, and all officers and agencies in the executive branch of the Government.

(3) The Board shall prescribe the practice and procedure to govern proceedings before it and the termination claim adjusters. The Board and the termination claim adjusters shall have power to administer oaths to witnesses and to compel, by subpena, the attendance of witnesses and the production of books, papers, documents, and other records.

(4) For the purposes of this section, the chairman of the Board may divide the Board into divisions of not less than three members each and the Board may sit and act by such divisions.

(e) When a termination claim is submitted to arbitration in accordance with this section, the arbitration proceeding shall be governed by the United States Arbitration Act to the same extent as if authorized by an effective agreement in writing between the United States and the war contractor for such arbitration upon the conditions specified in subsection (c) of this section.

(f) Whenever any dispute exists between any war contractor and a subcontractor regarding any termination claim, either of them by agreement with the other, may submit the dispute—

(1) to the Board or a termination claim adjuster;

(2) to a contracting agency for mediation or arbitration in accordance with regulations which shall be prescribed by the Board.

COURT OF CLAIMS

SEC. 9. (a) For the purpose of expediting the adjudication of termination claims, the Court of Claims is authorized to appoint not more than 20 commissioners in addition to those provided for by the act of February 24, 1925 (ch. 301, 43 Stat. 964), as amended by the act of June 23, 1930 (ch. 573, 46 Stat. 799), and the provisions of said acts shall apply to such additional commissioners in all respects as if they had been appointed thereunder, except that the court shall limit the duties of such additional commissioners to duties in respect of termination claims.

(b) The Attorney General, under such rules as the Court of Claims shall prescribe, may cause any and all persons with legal capacity to sue and be sued, wherever located, actually to be notified, or on specific order of the court, to be notified by publication, and if within the jurisdiction of the United States, at the discretion of the Attorney General, to be served with subpena, to appear as a party or parties in any suit or proceeding upon any termination claim pending in said court and to assert and defend their interests, if any, in such suits or proceedings, within such period of time prior to judgment as the Court of Claims shall prescribe. Upon failure so to appear, any and all claims or interests in claims of any such person against the United States, in respect of the subject matter of such suit or proceeding, shall forever be barred and the court shall have jurisdiction to enter judgment pro confesso upon any claim or contingent claim asserted on behalf of the United States against any party who, having been duly served with subpena, fails to respond thereto, to the same extent and with like effect as if such party had appeared and had admitted the truth of all allegations made on behalf of the United States. Upon appearance by any party pursuant to any such notice or subpena, the case as to such party shall, for all purposes, be treated as if an independent proceeding had been instituted by such party pursuant to section 145 of the Judicial Code, as amended, and as if such independent proceeding had then been consolidated, for purposes of trial and determination, with the case in respect of which the notice or subpena was issued, except that the United States shall not be heard upon any counterclaims, claims for damages, or other demands whatsoever against such party, other than claims and contingent claims for the recovery of money hereafter paid by the United States in respect of the transaction or matter which constitutes the subject matter of such case, unless and until such party shall assert therein a claim, or an interest in a claim, against the United States, and the Court of Claims shall have jurisdiction to adjudicate, as between any and all adverse claimants, their respective several interests in any matter in suit and to award several judgments in accordance therewith.

(c) The jurisdiction of the Court of Claims shall not be affected by this act except to the extent necessary to give effect to this section, and no party shall recover judgment on any claim, or on any interest in any claim, in said court which such party would not have had a right to assert if this section had not been enacted.

DEFECTIVE, INFORMAL, AND QUASI CONTRACTS

SEC. 10. (a) Where any person has arranged to furnish or furnished to a contracting agency or to a war contractor any materials, services, or facilities related to the prosecution of the war, relying in good faith upon the apparent authority of an officer or agent of a contracting agency, a letter of intent, written or oral instructions, or any other request to proceed from a contracting agency, the contracting agency shall pay such person fair compensation therefor.

(b) Whenever any formal or technical defect or omission in any prime contract, or in any grant of authority to an officer or agent of a contracting agency who ordered any materials, services, and facilities might invalidate the contract or commitment, the contracting agency (1) shall not take advantage of such defect or omission; (2) shall amend, confirm, or ratify such contract or commitment without consideration in order to cure such defect or omission; and (3) shall make a fair settlement of any obligation thereby created or incurred by such agency whether expressed or implied, in fact or in law, or in the nature of an implied or quasi contract.

(c) Where a contracting agency fails to agree on a settlement of any claim asserted under this section, the dispute shall be subject to the provisions of section 8 of this act.

COMPULSORY TESTIMONY AND ENFORCEMENT OF SUBPENAS

SEC. 11. All provisions of law (including penalties and including provisions relating to self-incrimination) applicable in respect of subpenas issued under the Federal Trade Commission Act shall, insofar as they are not inconsistent with the provisions of this act, be applicable in respect of subpenas issued by the Board and the termination claim adjusters under this act.

RECORDS, FORMS, AND REPORTS

SEC. 12. (a) The Board shall require the Government agencies performing functions under this act to prepare such information and reports regarding terminations of war contracts, settlements of termination claims, and payments and guaranties under section 4, as the Board deems necessary to assist it in appraising their operations or to assist it or other Government agencies in performing their functions under this act, and may prescribe the terms and conditions upon which such information and reports shall be made available to other Government agencies. The Board may require any Government agency to furnish such information under its control as the Board deems necessary for the performance of the Board's functions under this act.

(b) The Board shall report to the Department of Justice any information received by

the Board indicating any unlawful acts or fraudulent practices in connection with termination settlements and payments and guaranties under section 4, and may require the Department of Justice or any other Government agency to make such investigations as the Board deems necessary or desirable to detect unlawful acts and fraud in connection with termination settlements and payments and guaranties under section 4.

PRESERVATION OF RECORDS; PROSECUTION OF FRAUD

SEC. 13. (a) Until five years after the date of the termination of hostilities in the present war, or five years after the final settlement of a war contract involving $5,000 or more, whichever is the later, no person shall willfully secrete, mutilate, obliterate, or destroy, or cause to be secreted, mutilated, obliterated, or destroyed, any records of a war contractor which relate to the negotiation, award, performance, payment for, renegotiation, termination, or termination settlement of such war contract. Any war contractor shall allow any officer or agent of any interested Government agency, the General Accounting Office, or any committee of Congress reasonable access to such records. Upon conviction for violation of any of the provisions of this subsection, any corporation shall be fined not more than $50,000 and any individual not more than $10,000 or imprisoned for not more than five years, or both. For the purposes of this subsection the term "date of the termination of hostilities in the present war" means the date proclaimed by the President, or the date specified in a concurrent resolution of the two Houses of Congress, as the date of such termination, whichever is the earlier.

(b) The first section of the act of August 24, 1942 (U. S. C., 1940 ed., Supp. II, title 18, sec. 590a), is amended to read as follows:

"The running of any existing statute of limitations applicable to any offense against the laws of the United States (1) involving defrauding or attempts to defraud the United States or any agency thereof whether by conspiracy or not, and in any manner, or (2) committed in connection with the negotiation, procurement, award, performance, payment for, renegotiation, termination, or termination settlement of any contract, subcontract, or purchase order which is connected with or related to the prosecution of the present war, shall be suspended until 5 years after the date of the termination of hostilities in the present war, or 5 years after the final settlement of such contract, subcontract, or purchase order, whichever is the later. This section shall apply to acts, offenses, or transactions where the existing statute of limitations has not yet fully run, but it shall not apply to acts, offenses, or transactions which are already barred by provisions of existing law. For the purposes of this section the term 'date of the termination of hostilities in the present war' means the date proclaimed by the President, or the date specified in a concurrent resolution of the two Houses of Congress, as the date of such termination, whichever is the earlier."

(c) (1) Every person who makes or causes to be made, or presents or causes to be presented to any officer, agent, or employee of any Government agency any claim, bill, receipt, voucher, statement, account, certificate, affidavit, or deposition, knowing the same to be false, fraudulent, or fictitious, or knowing the same to contain or to be based on any false, fraudulent, or fictitious statement or entry, or who shall cover up or conceal any material fact, or who shall use or engage in any other fraudulent trick, scheme, or device, for the purpose of securing or obtaining, or aiding to secure or obtain, for any person any benefit, payment, compensation, allowance, loan, advance, or emolument from the United States or any Government agency in connection with the termination, cancelation, settlement, payment, negotiation, renegotiation, performance, procurement, or award of a contract with the United States or with any other person, and every person who enters into an agreement, combination, or conspiracy so to do, shall forfeit and refund any such benefit, payment, compensation, allowance, loan, advance, and emolument received as a result thereof and shall in addition pay to the United States the sum of $2,000 for each such act, and double the amount of any damage which the United States may have sustained by reason thereof, together with the costs of suit.

(2) The several district courts of the United States, the District of Columbia, the several district courts of the Territories of the United States, within whose jurisdictional limits the person, or persons, doing or committing such act, or any one of them, resides or shall be found, shall, wheresoever such act may have been done or committed, have full power and jurisdiction to hear, try, and determine such suit, and such person or persons as are not inhabitants of or found within the district in which suit is brought may be brought in by order of the court to be served personally or by publication or in such other reasonable manner as the court may direct.

(d) The provisions of section 35–A of the Criminal Code (U. S. C., 1940 ed., title 18, sec. 80) shall apply to any statement, representation, bill, receipt, voucher, roll, account, claim, certificate, affidavit, or deposition made or used or caused to be made or used for any purpose under this act or under any regulations pursuant to this act.

REPORTS TO CONGRESS

SEC. 14. In January, April, July, and October of each year, the Board shall submit to the Congress a quarterly report on the exercise of its duties and authority under this act, the status of contract terminations, termination settlements, and interim financing and such other pertinent information on the administration of the act as will enable the Congress to evaluate its administration and the need for amendments and related legislation.

USE OF APPROPRIATED FUNDS

SEC. 15. Any contracting agency is authorized—

(a) to use for the purposes authorized in this act any funds which have heretofore been appropriated or allocated or which may hereafter be appropriated or allocated to it, or which are or may become available to it, for such purposes or for the purposes of war production or war procurement;

(b) to use any such funds appropriated, allocated, or available to it for expenditures for or in behalf of any other contracting agency or corporation for the purposes authorized in this act;

(c) to determine by agreement, joint estimate, or any other method authorized by the Board, the part of any expenditure made pursuant to subsection (b) hereof to be paid by each contracting agency concerned and to make transfers of funds between such contracting agencies accordingly. Transfers of funds between appropriations carried upon the books of the Treasury shall be made by the Secretary of the Treasury in accordance with joint requests of the contracting agencies involved.

Amend the title so as to read: "A bill relating to the termination of war contracts and to the payment of termination claims."

[H. R. 3022 as amended by House Committee on Military Affairs showing proposed amendments in italics]

Be it enacted, etc., That this act may be cited as the "War Contracts Settlement Act."

DEFINITIONS

SEC. 2. As used in this act, the term—

(a) "War contract" means either a prime contract or a subcontract.

(b) "War contractor" means the holder of one or more war contracts.

(c) "Prime contract" means a contract or agreement entered into, or a purchase order given, by a contracting agency and connected with or related to the prosecution of the war.

(d) "Prime contractor" means the holder of one or more prime contracts.

(e) "Subcontract" means a contract, agreement, or purchase order connected with or related to the performance of a prime contract or of any other subcontract, but does not include any contract or agreement for the performance of services as an employee.

(f) "Subcontract" means the holder of one or more subcontracts.

(g) "Contracting agency" means any department, agency, or instrumentality of the United States which is or at any time has been authorized to make contracts pursuant to section 201 of the First War Powers Act, 1941.

(h) "Termination" means the cancelation, in whole or in part, of work under a war contract for any reason except the default of the war contractor, and the terms "terminate" and "terminated" shall be construed accordingly.

(i) "Termination claim" means any claim by a war contractor under a terminated war contract.

(j) "Director" means the Director of Contract Termination.

DIRECTOR OF CONTRACT TERMINATION

Sec. 3. (a) There is hereby established the Office of Contract Termination with a Director of Contract Termination at the head thereof. The Director shall be appointed by the President by and with the advice and consent of the Senate, and shall receive compensation at the rate of $12,000 per year.

(b) The Director shall prescribe regulations to carry out his functions under this act, and such regulations shall be binding on any contracting agency to the extent that it is subject to this act. Each such agency shall carry out such regulations expeditiously and may make such further regulations as it deems necessary to carry out the provisions of this act or any regulations issued thereunder.

(c) The Director may, within the limits of funds which may be made available, employ necessary personnel without regard to the provisions of the civil service laws or regulations and the Classification Act of 1923, as amended, and make expenditures for supplies, facilities, and services necessary for the performance of his functions under this act. Any authority vested in the Director may be delegated to any person or persons employed by him.

UNIFORMITY OF POLICIES AND ADMINISTRATION

Sec. 4. (a) Except as provided in sections 8, 9 and 10 of this act, any action authorized, required, or permitted to be taken by any contracting agency or war contractor under this act, or under the provisions of any prime contract which relate to the termination of such contract, shall be taken only subject to and in accordance with such regulations prescribed by the Director, as the Director deems necessary to insure efficient administration of this act and to insure the application by the contracting agencies of uniform policies in respect of the termination of war contracts.

(b) Subject to regulations of the Director, each contracting agency shall establish such standards, methods, and bases for negotiating with respect to and for tentatively settling claims as deemed feasible and equitable. Provision may be made for basing tentative agreements on actual, standard, average, or estimated costs, on the percentage of completion of work under the terminated contract, on any combination thereof, or on such other bases as deemed equitable.

(c) In establishing, pursuant to subsection (b), the standards, methods, and bases for negotiating with respect to and for settling claims of war contractors, the following general factors with respect to the determination of costs to be allowed and disallowed in the settlement shall be considered in the case of fixed price supply contracts, other than contracts under which the purchaser is not obligated to accept articles or services except as he may need or desire, and to the extent appropriate in the case of other contracts: Provided, That costs shall be allowed only to the extent reasonably necessary for the performance and settlement of and properly allocable to, the contract or contracts involved, and without duplication of any costs:

(1) Full payment at the contract price shall be allowed for all completed items accepted by the contracting agency.

(2) Cost of all work done and all materials acquired for the performance of the contract shall be allowed.

(3) Reasonable salaries shall be allowed.

(4) The cost of settling and paying claims of subcontractors shall be allowed.

(5) Advertising expense shall be allowed to the extent consistent with the pre-war advertising program of the contractor, or to the extent reasonable under the circumstances.

(6) Depreciation, amortization, and obsolescence shall be allowed at rates appropriate for various classes of property.

(7) General experimental and research expense shall be allowed to the extent consistent with the established pre-war experimental and research program of the contractor, or to the extent related to war purposes.

(8) Costs of engineering and development, and of special tooling, shall be allowed: Provided, That the contractor protects the interests of the Government by transfers of property and interests or other means deemed appropriate by the contracting agency, including the transfer of patents and licenses.

(9) Costs with respect to special facilities shall be allowed in such amounts as may be reasonable under the circumstances, if incurred solely for the performance of the contract, or the contract and other war production contracts: Provided, That the contractor protects the interests of the Government by transfers of property and interests or other means deemed appropriate by the contracting agency.

(10) With respect to special leases, there shall be allowed (i) rentals under leases clearly shown to have been made for the performance of the contract, or the contract and other war production, but only for the period necessary for complete performance of the contract, and such further period as may have been reasonably necessary; (ii) reasonable costs of alteration under such leases; and (iii) costs of restoring the premises, to the extent required by reasonable provisions of the leases; less (iv) the residual value of the leases: Provided, That the contractor shall have made reasonable efforts to terminate, assign, or settle such leases or otherwise reduce the cost thereof.

(11) Reasonable accounting, legal, clerical, and other settlement expenses shall be allowed, but expenses incurred for the purpose of obtaining payment from the Government shall be allowed only to the extent reasonably necessary for the preparation and presentation of settlement proposals and cost evidence in connection therewith.

(12) Interest on borrowing shall be allowed.

(13) A reasonable profit shall be allowed to the extent earned and not expressly waived in the contract.

(14) The reasonable cost of the storage, preservation, or protection, in accordance with the directions or authorizations of the contracting agency, of property in the possession of the contractor and in which the Government has or may acquire an interest, shall *be allowed.*

(15) On final settlement, interest shall be allowed on balances owing to contractors, but in case of failure of a contractor to accept an amount specified in a finding by the contracting agency of the amount due, no interest shall be allowed for the period after the date such finding is delivered to the contractor unless the amount finally determined to be due is more than the amount specified in the finding. Except as herein otherwise provided, interest shall be paid for the period beginning 30 days after the termination, and ending on a date not more than 30 days prior to final payment. Such interest shall be at a rate equal to 1½ percent per annum plus the per annum discount rate established on commercial paper by the Federal Reserve Bank of Chicago, pursuant to section 14 (d) of the Federal Reserve Act, as amended, and in effect on such thirtieth day after such date of termination: Provided, That in the case of contractors who have demonstrated the ability to borrow money on commercial paper at lower interest rates, the Director may fix a rate of interest hereunder corresponding to the rate available to them from commercial sources: Provided further, That (i) if such claim is not filed in substantially approved form within 120 days from the termination date, or within such extended period as the Director may allow in particular cases, interest shall not be allowed for the period in which the contractor is in default in filing his claim, (ii) if the Director should determine that the contractor has delayed in the settlement of his claim, interest shall not be allowed for the period of such delay, and (iii) if interest on any advance payment or loan made or guaranteed by the Government has been waived for the benefit of the contractor during the period after termination the amount of interest so waived shall be deducted from the interest otherwise payable hereunder.

(16) Except for normal spoilage and to the extent that the contracting agency shall have otherwise specifically assumed the risk of loss, there shall be excluded from the amounts payable to the contractor all amounts payable in respect of property destroyed, lost, or stolen, or damaged so as to be undeliverable.

(17) No costs shall be allowed on account of losses on other contracts, or from sales or exchanges of capital assets; fees and other expenses in connection with reorganization or recapitalization, antitrust or Federal income-tax litigation, or prosecution of Federal income-tax claims or other claims against the Government; losses on investments; provisions for contingencies; and premiums on insurance policies on the lives of officers and directors.

(18) No costs shall be allowed which were treated as deductions from income during the period covered by a previous renegotiation under the Renegotiation Act if a refund to the Government was made for such period, or to the extent that such deductions are shown to have avoided such refund.

(19) No amount shall be allowed for the expense of conversion of the contractor's facilities to uses other than the performance of the contract.

(20) Such other factors shall be considered as may be reasonable under the circumstances and as the public interest and fair and equitable dealing may require.

(21) The aggregate amount payable in settlement of any claim, exclusive of the costs referred to in clauses (11), (14), and (15) above, shall not exceed the contract price.

ADVANCE NOTICE OF TERMINATION

SEC. 5. It is the policy of the United States to provide that notice of termination of war contracts be given to the war contractors as far in advance of the actual termination of such contracts as is feasible and consistent with the national security. To carry out this policy—

(a) each contracting agency shall provide prime contractors, to the fullest extent feasible, with advance notice of termination of any prime contracts held by them;

(b) each prime contractor upon receiving notice of termination of any prime contract held by him shall forthwith provide his subcontractors with notice of termination of their subcontracts connected with or related to such prime contract;

(c) each subcontractor upon receiving notice of termination of any subcontract held by him shall forthwith provide his subcontractors with notice of termination of their subcontracts connected with or related to such subcontract;

(d) each contracting agency shall limit the termination of any prime contract in such manner as may be appropriate so as to (1) provide for the completion of work in process under such prime contract and under subcontracts wherever such completion will result in a saving to the United States, and (2) provide for the continuation of work under such prime contract and under subcontracts for the purpose of avoiding injury to plant and material.

TERMINATION CLAIMS

SEC. 6. (a) Whenever a war contract is terminated, the contracting agency—

(1) shall first endeavor to make a tentative agreement (as provided in section 9) with the war contractor with respect to the amount due on account of items which can be promptly determined with reasonable certainty, and if such a tentative agreement is made shall forthwith pay, subject to subsection (b), to the war contractor an amount equal to 100 percent of such items. So far as practicable, the contracting agency shall endeavor to make such a tentative agreement and such payment within 30 days after application by the war contractor for payment under this paragraph;

(2) shall pay, subject to subsection (b), to the war contractor an amount equal to 90 percent of the minimum amount due on all items with respect to which an agreement is not made under paragraph (1), such minimum amount to be (A) the minimum amount estimated as due with respect to such items by the contracting agency, or (B) the minimum amount estimated as due with respect to such items by the war contractor, whichever is the lesser. So far as practicable, the contracting agency shall make such payment within 30 days after application by the war contractor for payment under this paragraph;

(3) subject to subsection (c), shall guarantee loans to the war contractor to the extent of the excess of the minimum amount of his termination claim over any payments or loans theretofore made to the war contractor on account of the termination. Such minimum amount shall be that estimated by the war contractor or that estimated by the contracting agency, whichever is the lesser.

(4) shall reimburse the war contractor for interest paid by him on any loan guaranteed in whole or in part under paragraph (3), but if the minimum amount of the termination claim determined under paragraph (3) exceeds the amount of the termination claim as finally determined, no reimbursement shall be made for interest on the portion of the loan which is equal to such excess.

(b) Payments under subsection (a) (1), if made to a subcontractor, shall be either payments in purchase, or payments for the assignment, of his termination claim with respect to the items involved, as determined by agreement with the subcontractor. In the case of any payment to a subcontractor under subsection (a), the contracting agency shall

provide for the subrogation of the United States to the rights of the subcontractor to the extent of such payments. In determining the amount of any payment to be made to a war contractor under subsection (a), proper adjustments shall be made to reflect payments under such subsection to subcontractors of such war contractor.

(c) No guaranty of any loan under subsection (a) shall be made unless it is determined by the contracting agency concerned that the war contractor has shown the loan to be necessary in order to enable him to continue operations, and unless it is further determined by such contracting agency that there is reason to believe, on the basis of the war contractor's business record, that the loan in respect of which the guaranty is proposed, will be repaid in accordance with the terms of the loan agreement. The contracting agency, as a condition of any guaranty of a loan to a war contractor under this section, shall require that the war contractor assign, to the person making the loan or to the United States, or to both as their interests may appear, the termination claim in respect of which such loan is made, and shall not require the giving of any other security.

(d) In case any payment under subsection (a) (2) exceeds the portion of the claim, as finally determined, remaining after making payments under subsection (a) (1), the excess shall be deemed a loan to the war contractor, payable on demand, with interest at such rate (not to exceed 6 percent per annum) as may be fixed by the *Director* for the period beginning with the date of the payment under subsection (a) (2) and ending with the date on which the excess is repaid.

(e) In order to expedite the making of payments to war contractors under subsection (a), such payments shall be made prior to audit and settlement by the General Accounting Office, and no disbursing officer making any such payment in accordance with a duly certified voucher shall be personally liable for such payment in the absence of fraud or bad faith on his part. In settling the accounts of any such disbursing officer the General Accounting Office shall allow such disbursements made by him notwithstanding any other provision of law. Nothing in this subsection shall affect the liability of any certifying officer or affect the liability of any war contractor to repay to the United States any amount paid to him contrary to law.

(f) No loan, guaranty, commitment, or advance or partial payment, in connection with the termination of any war contract, shall be made by any officer or agency in the executive branch of the Government except as authorized by this act.

REMOVAL AND STORAGE OF MATERIALS

SEC. 7. (a) It is the policy of the United States, upon the termination of any war contract, to insure the expeditious removal from the plant of the war contractor of all materials, machinery, and equipment which relate to such terminated war contract and for which the United States is responsible.

(b) To carry out this policy each contracting agency shall provide—

(1) for the submission by the war contractor to the contracting agency of statements in such form and detail as it may prescribe, showing the materials, machinery, and equipment related to a terminated war contract for which the United States is responsible;

(2) for the removal of such materials, machinery, and equipment by the contracting agency within 30 days after the submission of such statements or within such longer period as the war contractor may agree;

(3) for the removal and storage of such materials, machinery, and equipment by the war contractor at the risk and expense of the United States upon the failure of the contracting agency so to remove them.

WAR CONTRACTS SETTLEMENT BOARD

SEC. *8.* (a) There shall be in the General Accounting Office a War Contracts Settlement Board (hereinafter called the "Board") which shall consist of not less than three and not more than nine members, who shall be appointed by the Comptroller General of the United States. The Comptroller General shall designate one of the members as chairman.

(b) There shall be in each State not less than one War Contracts Settlement Regional Board (hereinafter called "Regional Board"), consisting of three members, who shall be appointed by the Comptroller General of the United States. The Regional Boards shall function under the supervision, direction, and control of the Board.

(c) The Board shall have exclusive authority to prescribe the forms and evidence to be submitted to it or to the Regional Boards in support of termination claims. It shall prescribe the practice and procedure to govern proceedings before it and the Regional Boards and may distribute and assign the work of a Regional Board to any other Regional Board, as it deems necessary or desirable, or may itself act in such matters in which event its action will have the same effect as though taken by a Regional Board. The Board is authorized to prescribe such rules and regulations as it may deem necessary to carry out its duties and authority under this act. The Board and Regional Boards shall have power to administer oaths to witnesses, to make such investigations, hold such hearings and conferences, and require by subpena the attendance of witnesses and the production of books, papers, documents, and other records, as deemed necessary.

(d) To facilitate the performance of the duties imposed by this act on the Board and the Regional Boards, the Comptroller General is hereby authorized to employ at the seat of government and elsewhere such personal services as he may deem necessary. All appointments which the Comptroller General is authorized to make under this act may be made without regard to the civil service laws and regulations, at rates of compensation to be fixed without regard to the Classification Act of March 4, 1923, as amended, and shall terminate not later than 2 years after the close of the present war. Any civilian employee of the United States Government having a classified civil-service status who is appointed to a position created for the purposes of this act shall not lose his civil-service status by reason of such appointment, and shall be restored to his former position or to a position of like seniority, status, and pay upon termination of his services under such appointment. Notwithstanding the provisions of any other law, retired officers of the Army, Navy, and Marine Corps shall be eligible for appointments to positions created for the purpose of this title without loss of retired status, but the payment of salary and retired pay to such persons shall be subject to the provisions of section 212 of the act of June 30, 1932, as amended, 5 U. S. Code 59a.

AUTHORITY TO MAKE AGREEMENTS SETTLING TERMINATION CLAIMS

SEC. *9.* (a) No officer or agency in the executive branch of the Government shall have power to make an agreement with a war contractor determining the amount due on any termination claim *hereafter presented*, or any part thereof, except as provided in this section.

(b) Whenever a war contractor and a contracting agency are in agreement with respect to the amount due on any termination claim or part thereof, the contracting agency is authorized to make a tentative agreement with the war contractor with respect thereto. The contracting agency, upon making such tentative agreement, shall forthwith submit such agreement, together with *required* supporting data, to *a Regional* Board for approval. Such tentative agreement shall become final and binding on all parties thereto 6 months after its submission to the *Regional* Board for approval, unless within such 6 months, the *Regional Board or the* Board disapproves such tentative agreement and so notifies the contracting agency and the war contractor.

(c) If the *Regional Board or the* Board disapproves a tentative agreement under subsection (b), it shall prepare a statement of its objections thereto and transmit such statement to the contracting agency and the war contractor with its notification of disapproval. Thereupon the contracting agency shall endeavor to make a final agreement with the war contractor containing the provisions to which the *Regional Board or the* Board did not make objection, provisions which meet the objections of the *Regional Board or the* Board to the previous tentative agreement, and no others.

APPEAL

SEC. *10.* (a) Whenever any prime contractor has submitted a termination claim, in substantially the form prescribed under this act, to the contracting agency responsible for settling it, and such claim has not been settled by *tentative* agreement with the contracting agency, or only a part of such claim has been so settled, the contracting agency shall prepare written findings of the amount determined by it to be due on such claim or the unsettled part thereof, shall transmit such findings, together with all supporting data, to the Board, and transmit by registered mail a copy of such findings and data to the contractor. Such findings and data shall be transmitted to the contractor by the contracting agency within 60 days after the date of his demand therefor.

(b) Within 90 days after the mailing of the findings of the contracting agency to the prime contractor under subsection (a), the prime contractor may, at his election—

(1) submit his claim or the unsettled part thereof to the Board or a *Regional Board* and if aggrieved by the decision of the Board or *the Regional Board*, within 90 days after the making of such decision bring suit against the United States as provided in paragraph (2) *of this subsection;* or

(2) bring suit against the United States for such claim, or such part thereof, in the Court of Claims or in a United States district court, in accordance with subsection (20) of section 24 of the Judicial Code (U. S. C., 1940 ed., title 28, sec. 41 (20)).

(c) Any proceeding under subsection (b) of this section shall be governed by the following conditions:

(1) If a prime contractor does not initiate proceedings in accordance with subsection (b) within 90 days after the mailing to him of the findings by the contracting agency, he shall be precluded from submitting his claim or the unsettled part thereof to the Board, and shall be precluded from bringing suit for such claim or part thereof against the United States until after the audit and settlement thereof by the General Accounting Office in the manner provided by law.

(2) Notwithstanding any contrary provision in any war contract, the Board, *the Regional Board*, and *the* court shall not be bound by the findings of the contracting agency, but shall treat such findings as prima facie correct, and the burden shall be on the prime contractor to establish that the amount due on his claim exceeds the amount allowed by the contracting agency. The Board, *Regional Board*, or court may increase or decrease the amount allowed by the contracting agency.

(3) When a prime contractor has initiated such proceedings by one method under subsection (b) of this section, he shall, except as provided in subsection (b) (1), be precluded from initiating proceedings by any other method thereunder.

(*d*) (*1*) Any determination made under this section by the Board or *Regional Board* shall, if made within 6 months after the termination claim concerned is submitted to the Board or *Regional Board*, as the case may be, be final and conclusive upon the Comptroller General of the United States, the General Accounting Office, and all officers and agencies in the executive branch of the Government. If such determination is not made within such 6 months, the findings of the contracting agency with respect to the termination claim concerned shall be final and conclusive upon the Comptroller General of the United States, the General Accounting Office, and all officers and agencies in the executive branch of the Government.

(2) For the purposes of this section, the chairman of the Board may divide the Board into divisions of not less than three members each and the Board may sit and act by such divisions.

COURT OF CLAIMS

SEC. *11*. (a) For the purpose of expediting the adjudication of termination claims, the Court of Claims is authorized to appoint not more than 20 commissioners in addition to those provided for by the act of February 24, 1925 (ch. 301, 43 Stat. 964), as amended by the act of June 23, 1930 (ch. 573, 46 Stat. 799), and the provisions of said acts shall apply to such additional commissioners in all respects as if they had been appointed thereunder, except that the court shall limit the duties of such additional commissioners to duties in respect of termination claims.

(b) The Attorney General, under such rules as the Court of Claims shall prescribe, may cause any and all persons with legal capacity to sue and be sued, wherever located, actually to be notified, or on specific order of the court, to be notified by publication, and if within the jurisdiction of the United States, at the discretion of the Attorney General, to be served with subpena, to appear as a party or parties in any suit or proceeding upon any termination claim pending in said court and to assert and defend their interests, if any, in such suits or proceedings, within such period of time prior to judgment as the Court of Claims shall prescribe. Upon failure so to appear, any and all claims or interests in claims of any such person against the United States, in respect of the subject matter of such suit or proceeding, shall forever be barred and the court shall have jurisdiction to enter judgment pro confesso upon any claim or contingent claim asserted on behalf of the United States against any party who, having been duly served with subpena, fails to respond thereto, to the same extent and with like effect as if such party had appeared and had admitted the truth of all allegations made on behalf of the United States. Upon appearance by any party pursuant to any such notice or subpena, the case as to such party shall, for all purposes, be treated as if an independent proceeding had been instituted by such party pursuant to section 145 of the Judicial Code, as amended, and as if such independent proceeding had then been consolidated, for purposes of trial and determination, with the case in respect of which the notice or subpena was issued, except that the United States shall not be heard upon any counterclaims, claims for damages, or other demands whatsoever against such party, other than claims and contingent claims for the recovery of money hereafter paid by the United States in respect of the transaction or matter which constitutes the subject matter of such case, unless and until such party shall assert therein a claim, or an interest in a claim, against the United States, and the Court of Claims shall have jurisdiction to adjudicate, as between any and all adverse claimants, their respective several interests in any matter in suit and to award several judgments in accordance therewith.

(c) The jurisdiction of the Court of Claims shall not be affected by this act except to the extent necessary to give effect to this section, and no party shall recover judgment on any claim, or on any interest in any claim, in said court which such party would not have had a right to assert if this section had not been enacted.

DEFECTIVE, INFORMAL, AND QUASI CONTRACTS

SEC. *12*. (a) Where any person has arranged to furnish or furnished to a contracting agency or to a war contract or any materials, services, or facilities related to the prosecution of the war, relying in good faith upon the apparent authority of an officer or agent of a contracting agency, a letter of intent, written or oral instructions, or any other request to proceed from a contracting agency, the contracting agency shall pay such person fair compensation therefor.

(b) Whenever any formal or technical defect or omission in any prime contract, or in any grant of authority to an officer or agent of a contracting agency who ordered any materials, services, and facilities might invalidate the contract or commitment, the contracting agency (1) shall not take advantage of such defect or omission; (2) shall amend, confirm, or ratify such contract or commitment without consideration in order to cure such defect or omission; and (3) shall make a fair settlement of any obligation thereby created or incurred by such agency whether expressed or implied, in fact or in law, or in the nature of an implied or quasi contract.

(c) Where a contracting agency fails to agree on a settlement of any claim asserted under this section, the dispute shall be subject to the provisions of section *10* of this act.

COMPULSORY TESTIMONY AND ENFORCEMENT OF SUBPENAS

SEC. *13*. All provisions of law (including penalties and including provisions relating to self-incrimination) applicable in respect of subpenas issued under the Federal Trade Commission Act shall, insofar as they are not inconsistent with the provisions of this act, be applicable in respect of subpenas issued by the Board and the *Regional Board* under this act.

RECORDS, FORMS, AND REPORTS

SEC. *14*. (a) The *Director* shall require the *contracting* agencies performing functions under this act to prepare such information and reports regarding terminations of war contracts, settlements of termination claims, and payments and guaranties under section *6*, as the *Director* deems necessary to assist *him* in appraising their operations or to assist *him* or other Government agencies in performing their functions under this act, and may prescribe the terms and conditions upon which such information and reports shall be made available to other Government agencies. The *Director* may require any Government agency to furnish such information under its control as the *Director* deems necessary for the performance of the *Director's* functions under this act.

(b) The Board shall report to the Department of Justice *and the Director* any information received by the Board indicating any unlawful acts or fraudulent practices in connection with termination settlements and payments and guaranties under section *6*, and *the Director* may require the Department of Justice or any other Government agency to make such investigations as the *Director* deems necessary or desirable to detect unlawful acts and fraud in connection with termination settlements and payments and guaranties under section *6*.

PRESERVATION OF RECORDS; PROSECUTION OF FRAUD

SEC. *15*. (a) Until 5 years after the date of the termination of hostilities in the present war, or 5 years after the final settlement of a war contract involving $5,000 or more, whichever is the later, no person shall willfully secrete, mutilate, obliterate, or destroy, or cause to be secreted, mutilated, obliterated, or destroyed, any records of a war contractor which relate to the negotiation, award, performance, payment for, renegotiation, termination, or termination settlement of such war contract. Any war contractor shall allow any officer or agent of any interested Government agency, the General Accounting Office, or any committee of Congress reasonable access to such records. Upon conviction for violation of any of the provisions of this subsection, any corporation shall be fined not more than $50,000 and any individual not more than $10,000 or imprisoned for not more than 5 years, or both. For the purposes of this subsection the term "date of the termination of hostilities in the present war" means the date proclaimed by the President, or the date specified in a concurrent resolution of the two Houses of Congress, as the date of such termination, whichever is the earlier.

(b) The first section of the act of August 24, 1942 (U. S. C., 1940 ed., Supp. II, title 18, sec. 590a), is amended to read as follows:

"The running of any existing statute of limitations applicable to any offense against the laws of the United States (1) involving defrauding or attempts to defraud the United States or any agency thereof whether by conspiracy or not, and in any manner, or (2) committed in connection with the negotiation, procurement, award, performance, payment for, renegotiation, termination, or termination settlement of any contract, subcontract, or purchase order which is connected with or related to the prosecution of the present war, shall be suspended until 5 years after the date of the termination of hostilities in the present war, or 5 years after the final settlement of such contract, subcontract, or purchase order, whichever is the later. This section shall apply to acts, offenses, or transactions where the existing statute of limitations has not yet fully run, but it shall not apply to acts, offenses, or transactions which are already barred by provisions of existing law. For the purposes of this section the term 'date of the termination of hostilities in the present war' means the date proclaimed by the President, or the date specified in a concurrent resolution of the two Houses of Congress, as the date of such termination, whichever is the earlier."

(c) (1) Every person who makes or causes to be made, or presents or causes to be presented to any officer, agent, or employee of any Government agency any claim, bill, receipt, voucher, statement, account, certificate, affidavit, or deposition, knowing the same to be false, fraudulent, or fictitious, or knowing the same to contain or to be based on any false, fraudulent, or fictitious statement or entry, or who shall cover up or conceal any material fact, or who shall use or engage in any other fraudulent trick, scheme, or device, for the purpose of securing or obtaining, or aiding to secure or obtain, for any person any benefit, payment, compensation, allowance, loan, advance, or emolument from the United States or any Government agency in connection with the termination, cancelation, settlement, payment, negotiation, renegotiation, performance, procurement, or award of a contract with the United States or with any other person, and every person who enters into an agreement, combination, or conspiracy so to do, shall forfeit

and refund any such benefit, payment, compensation, allowance, loan, advance, and emolument received as a result thereof and shall in addition pay to the United States the sum of $2,000 for each such act, and double the amount of any damage which the United States may have sustained by reason thereof together with the costs of suit.

(2) The several district courts of the United States, the District of Columbia, the several district courts of the Territories of the United States, within whose jurisdictional limits the person, or persons, doing or committing such act, or any one of them, resides or shall be found, shall, wheresoever such act may have been done or committed, have full power and jurisdiction to hear, try, and determine such suit, and such person or persons as are not inhabitants of or found within the district in which suit is brought may be brought in by order of the court to be served personally or by publication or in such other reasonable manner as the court may direct.

(d) The provisions of section 35–A of the Criminal Code (U. S. C., 1940 ed., title 18, sec. 80) shall apply to any statement, representation, bill, receipt, voucher, roll, account, claim, certificate, affidavit, or deposition made or used or caused to be made or used for any purpose under this act or under any regulations pursuant to this act.

REPORTS TO CONGRESS

SEC. *16*. In January, April, July, and October of each year, the *Director* shall submit to the Congress a quarterly report on the exercise of *his* duties and authority under this act, the status of contract terminations, termination settlements, and interim financing and such other pertinent information on the administration of the act as will enable the Congress to evaluate its administration and the need for amendments and related legislation.

USE OF APPROPRIATED FUNDS

SEC. *17*. Any contracting agency is authorized—

(a) to use for the purposes authorized in this act any funds which have heretofore been appropriated or allocated or which may hereafter be appropriated or allocated to it, or which are or may become available to it, for such purposes or for the purposes of war production or war procurement;

(b) to use any such funds appropriated, allocated, or available to it for expenditures for or in behalf of any other contracting agency or corporation for the purposes authorized in this act;

(c) to determine by agreement, joint estimate, or any other method authorized by the Board, the part of any expenditure made pursuant to subsection (b) hereof to be paid by each contracting agency concerned and to make transfers of funds between such contracting agencies accordingly. Transfers of funds between appropriations carried upon the books of the Treasury shall be made by the Secretary of the Treasury in accordance with joint requests of the contracting agencies involved.

Amend the title so as to read: "A bill relating to the termination of war contracts and to the payment of termination claims."

DISTRICT OF COLUMBIA BUSINESS COMMITTEE ON INAUGURAL CEREMONIES, JANUARY 1945

The SPEAKER. The Chair recognizes the gentleman from West Virginia.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 289, authorizing the granting of permits to the Committee on Inaugural Ceremonies on the occasion of the inauguration of the President-elect in January 1945, and for other purposes.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from West Virginia be so kind as to explain the legislation?

Mr. RANDOLPH. Yes; this resolution is a routine measure which comes before the House in connection with arrangements for the inaugural ceremonies for the President-elect this coming January. Each 4 years we have this type of legislation to consider. It gives certain powers to the inaugural committee in connection with the ceremonies.

Mr. MARTIN of Massachusetts. We on this side are a little interested this year. Just what powers are given?

Mr. RANDOLPH. It gives the War Department powers to lend tents and certain equipment, also the Navy Department; and it permits the various utility companies to string overhead wires. It gives the committee certain powers in connection with the ceremony whether the President-elect be a Democrat or a Republican.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. STEFAN. It does not call for any appropriation?

Mr. RANDOLPH. No appropriation at all.

Mr. STEFAN. It will not cost any money?

Mr. RANDOLPH. It will not cost any money except what the inaugural committee will have from time to time.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Resolved etc.; That the Administrator of the Federal Works Agency, and such other officers of the District of Columbia and the United States as control any public lands in the District of Columbia, are hereby authorized to grant permits, under such restrictions as they may deem necessary, to the Committee on Inaugural Ceremonies to be appointed with the approval of the President-elect for the use of any reservations or other public spaces in the District of Columbia under their control on the occasion of the inauguration of the President-elect in January 1945: *Provided,* That in their opinion no serious or permanent injuries will be thereby inflicted upon such reservations or public spaces or statuary thereon; and the Commissioners of the District of Columbia may designate for such and other purposes, on the occasion aforesaid, such streets, avenues, and sidewalks in said District of Columbia under their control as they may deem proper and necessary: *Provided, however,* That all stands or platforms that may be erected on the public space, as aforesaid, including such as may be erected in connection with the display of fireworks, shall be under the said supervision of the said inaugural committee, and no stand shall be built on the sidewalk, streets, parks, and public grounds of the District of Columbia, not including the area on the south side of Pennsylvania Avenue directly in front of the White House, except such as are approved by the inaugural committee, the building inspector of the District of Columbia, and the Administrator of the Federal Works Agency: *And provided further,* That the reservations or public spaces occupied by the stands or other structures shall, after the inauguration, be promptly restored to their condition before such occupation, and that the inaugural committee shall indemnify the appropriate agency of the Government for any damages of any kind whatsoever upon such reservations or spaces by reason of such use.

SEC. 2. The Commissioners of the District of Columbia are hereby authorized to permit the committee on illumination of the inaugural committee for said inaugural ceremonies to stretch suitable overhead conductors, with sufficient supports wherever necessary, for the purpose of connecting with the present supply of light for the purpose of effecting the said illumination: *Provided,* That if it shall be necessary to erect wires for illuminating or other purposes over any park or reservation in the District of Columbia, the work of erection and removal of said wires shall be under the supervision of the official in charge of said park or reservation: *Provided further,* That the said conductors shall not be used for conveying electrical currents after January 24, 1945, and shall, with their supports, be fully and entirely removed from the streets and avenues of the said District of Columbia on or before January 31, 1945: *Provided further,* That the stretching and removing of the said wires shall be under the supervision of the Commissioners of the District of Columbia, or such other officials as may have jurisdiction in the premises, who shall see that the provisions of this joint resolution are enforced, that all needful precautions are taken for the protection of the public, and that the pavement of any street, avenue, or alley disturbed is replaced in as good condition as before entering upon the work herein authorized: *And provided further,* That no expense or damage on account of or due to the stretching, operation, or removal of the said temporary overhead conductors shall be incurred by the United States or the District of Columbia.

SEC. 3. The Secretary of War and the Secretary of the Navy be, and they are hereby, authorized to loan to the Committee on Inaugural Ceremonies such hospital tents, smaller tents, camp appliances, ensigns, flags, signal numbers, etc., belonging to the Government of the United States (except battle flags), that are not now in use and may be suitable and proper for decoration, and which may, in their judgment, be spared without detriment to the public service, such flags to be used in connection with said ceremonies by said committee under such regulations and restrictions as may be prescribed by the said Secretaries, or either of them, in decorating the fronts of public buildings and other places on the line of march between the Capitol and the Executive Mansion, and the interior of the reception hall: *Provided,* That the loan of the said hospital tents, smaller tents, camp appliances, ensigns, flags, signal numbers, etc., to the said committee shall not take place prior to the 11th of January, and they shall be returned by the 25th day of January 1945: *Provided further,* That the said committee shall indemnify the said Departments, or either of them, for any loss or damage to such flags not necessarily incident to such use. That the Secretary of War is hereby authorized to loan to the inaugural committee for the purpose of caring for the sick, injured, and infirm on the occasion of said inauguration such hospital tents and camp appliances, and other necessaries, hospital furniture, and utensils of all descriptions, ambulances, drivers, stretchers, and Red Cross flags and poles belonging to the Government of the United States as in his judgment may be spared and are not in use by the Government at the time of the inauguration: *And provided further,* That the inaugural committee shall indemnify the War Department for any loss or damage to such

hospital tents and appliances, as aforesaid, not necessarily incident to such use.

SEC. 4. The Commissioners of the District of Columbia and the Administrator of the Federal Works Agency be, and they are hereby, authorized to permit telegraph, telephone, and radio-broadcasting companies to extend overhead wires to such points along the line of parade as shall be deemed by the chief marshal convenient for use in connection with the parade and other inaugural purposes, the said wires to be taken down within 10 days after the conclusion of the ceremonies.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAINTENANCE OF PUBLIC ORDER AND PROTECTION OF LIFE AND PROPERTY IN CONNECTION WITH PRESIDENTIAL INAUGURAL CEREMONIES IN 1945

Mr. RANDOLPH. Mr. Speaker, I ask for the immediate consideration of House Joint Resolution 290 to provide for the maintenance of public order and protection of life and property in connection with the Presidential inaugural ceremonies in 1945.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. RANDOLPH. This resolution has to do with the inaugural ceremonies also and gives to the Commissioners of the District of Columbia certain powers in connection with the protection of life and property during that time.

Mr. MARTIN of Massachusetts. Why is it necessary to have additional power at that time other than at any other time?

Mr. RANDOLPH. Well, of course, we know that there are tens of thousands of people who come to Washington and the District officials have to have additional power to bring members of the police force of other cities here. In the past we have had to bring members of the police force from other cities here to aid our own officers. This has been requested by the Commissioners and is in line with all the other powers usually given.

Mr. STEFAN. Will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Nebraska.

Mr. STEFAN. The gentleman will recall that we passed an appropriation to defray the expenses of certain expert police officers from various parts of the country to come here in connection with the inaugural ceremony.

Mr. RANDOLPH. That is correct. The gentleman from Nebraska has stated the situation correctly.

Mr. STEFAN. This merely supplements that piece of legislation?

Mr. RANDOLPH. That is right. It is an authorization to the Commissioners giving them this additional power.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That $34,300, or so much thereof as may be necessary, payable in like manner as other appropriations for the expenses of the District of Columbia, is hereby authorized to be appropriated to enable the Commissioners of the District of Columbia to maintain public order and protect life and property in said District of Columbia from January 15 to January 26, 1945, both inclusive, including the employment of personal services, payment of allowances, traveling expenses, hire of means of transportation, cost of removing and relocating streetcar-loading platforms; for the construction, rent, maintenance, and expenses incident to the operation of temporary public comfort stations, first-aid stations, and information booths, during the period aforesaid, and other incidental expenses in the discretion of the Commissioners. Said Commissioners are hereby authorized and directed to make all reasonable regulations necessary to secure such preservation of public order and protection of life and property, and to make special regulations respecting the standing, movements, and operating of vehicles of whatever character or kind during said period; and to grant, under such conditions as they may impose, special licenses to peddlers and vendors to sell goods, wares, and merchandise on the streets, avenues, and sidewalks in the District of Columbia, and to charge for such privilege such fees as they may deem proper.

SEC. 2. Such regulations and licenses shall be in force 1 week prior to said inauguration, during said inauguration, and 1 week subsequent thereto, and shall be published in one or more of the daily newspapers published in the District of Columbia and in such other manner as the Commissioners may deem best to acquaint the public with the same; and no penalty prescribed for the violation of any such regulations shall be enforced until 5 days after such publication. Any person violating any of such regulations shall be liable for each such offense to a fine of not to exceed $100 in the municipal court for the District of Columbia, and in default of payment thereof to imprisonment in the workhouse of said District for not longer than 60 days.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RANDOLPH. Mr. Speaker, at this time I should like to interrupt the call of the bills on the District of Columbia Calendar in reference to the subject of inaugural ceremonies to allow the distinguished chairman of the Public Lands Committee of the House to call up a bill that has to do with the same subject.

QUARTERING OF TROOPS PARTICIPATING IN THE INAUGURAL CEREMONIES

Mr. LANHAM. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 291, providing for the maintenance of public order and protection of life and property in connection with the Presidential inaugural ceremonies in 1945.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. LANHAM]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this bill merely provides for the housing of troops during inauguration?

Mr. LANHAM. Yes. It is the customary resolution that is passed with reference to inaugural ceremonies.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. LANHAM]?

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That the Administrator of the Federal Works Agency or head of any executive department or establishment is authorized to allocate such space in any public building under his care and supervision as he deems necessary for the purposes of quartering troops participating in the inaugural ceremonies to be held on January 20, 1945, but such use shall not continue after January 22, 1945. Authority granted by this joint resolution may be exercised notwithstanding the provisions of the Legislative, Executive and Judicial Appropriation Act for the fiscal year ending June 30, 1903, approved April 28, 1902, prohibiting the use of public buildings in connection with inaugural ceremonies.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF ACT OF JUNE 19, 1934 (PUBLIC LAW 435, 73D CONG.)

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4916) to amend the act of June 19, 1934 (Public Law 435, 73d Cong.)

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is this bill about?

Mr. RANDOLPH. Mr. Speaker, I am going to ask the author of the measure, a member of the District Committee, to offer an explanation.

Mr. ABERNETHY. Mr. Speaker, this bill amends an act of 1934 providing for aid to orphans of veterans of World War No. 1 and it is the further purpose of this act to authorize an appropriation of $4,800 of District of Columbia funds in order that these benefits might be extended to the orphans of veterans who have died in recent years as a result of service-connected disability and also to aid the orphans of veterans of the current war. I may say that the bill was introduced by me at the request of the national legislative committee of the American Legion and General Harris, who is in charge of the program in the District of Columbia.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of June 19, 1934, entitled "An act providing educational opportunities for the children of soldiers, sailors, and marines who were killed in action or died during the World War," is hereby amended to read as follows:

"That there is hereby authorized to be appropriated from funds to the credit of the District of Columbia in the Treasury of the United States not otherwise appropriated, the sum of $4,800, annually, for aid in the education of children (between the ages of 16 and 21 years, inclusive, who have had their domicile in the District of Columbia for at least 5 years) of those who have died or may hereafter die as a result of service in the military

or naval forces of the United States during the World War on and after April 6, 1917, and prior to November 12, 1918, or during the period of the present war, on and after December 7, 1941, and prior to the termination of hostilities as declared by Presidential proclamation or by concurrent resolution of the Congress, including tuition, fees, maintenance, and the purchase of books and supplies: *Provided*, That not more than $200 shall be available for any one child in any one year: *Provided further*, That appropriations made in accordance with this act shall be expended, under rules and regulations prescribed by the Board of Education of the District of Columbia, only for such children as the said Board, from time to time, may find to be in need of such aid and in such amounts as the said Board from time to time may determine in the case of each child.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEALING ARTS PRACTICE ACT OF THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3150) amending the Healing Arts Practice Act of the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is this bill?

Mr. RANDOLPH. Mr. Speaker, this measure would broaden the reciprocal licensing provision of the District of Columbia Healing Arts Practice Act so as to permit the licensing of certain qualified physicians who are now ineligible for reciprocal licenses. Briefly the points in the proposed legislation arise from the following: Under section 25 of the present act, which regulates the healing practice in the District of Columbia, an applicant who desires to practice the healing art in the District of Columbia on a reciprocity basis must show that he has been practicing the healing art for 2 consecutive years under the jurisdiction from which he has obtained his original license to practice. This has been found to be a rather serious obstacle to recognizing people who wish to come to the District and practice here. It will reduce the 2 years' limitation to 1 year.

Under the impact of war it is believed that this should be modified to 1 year instead of the 2 years. Dr. Ruhland, the Health Commissioner of the District of Columbia, appeared before the committee, the Commissioners appeared also, for this reciprocity between the States. It does not apply to people from any foreign country.

Mr. MARTIN of Massachusetts. This is just a war measure?

Mr. RANDOLPH. It is a necessary measure and on that ground the committee gave its approval.

Mr. STEFAN. Will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Nebraska.

Mr. STEFAN. When would this act terminate?

Mr. RANDOLPH. We make no definite determination of that.

Mr. STEFAN. Then in answer to the question asked by the gentleman from Massachusetts [Mr. MARTIN] it would be a permanent piece of legislation, would it not? After the termination of the war this legislation would still apply?

Mr. RANDOLPH. We are going to have a picture here in the District of Columbia which may make it very difficult and the committee did not put a limitation on it but thought it would come in with another bill to take care of the situation.

Mr. STEFAN. This refers to medical doctors?

Mr. RANDOLPH. Yes.

Mr. MILLER of Nebraska. Will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Does it relax the reciprocity provision between States now? For instance, the District of Columbia denies reciprocity to a great many States as it relates to the practice of medicine. A man coming from Nebraska, for instance, is not permitted to practice in the District of Columbia without taking an examination. Does this bill change the situation?

Mr. RANDOLPH. That situation is changed; yes.

Mr. MILLER of Nebraska. Does it give him a temporary permit to practice in the District of Columbia?

Mr. RANDOLPH. That is correct, on examination.

Mr. MILLER of Nebraska. On examination?

Mr. RANDOLPH. Yes.

Mr. MILLER of Nebraska. Then it does not change the condition of the present law?

Mr. RANDOLPH. It makes it 1 year. We have 2 years now, so we are amending it to 1 year.

Mr. MILLER of Nebraska. The provision for an examination is still retained in the present law?

Mr. RANDOLPH. That is correct.

Mr. MILLER of Nebraska. It does not really alter the situation very much?

Mr. RANDOLPH. Perhaps not as much as it might be altered in connection with the viewpoint of the gentleman from Nebraska, but we have attempted to consider the request of the health authorities in connection with it.

Mr. MILLER of Nebraska. There are about 15 States which they do not recognize?

Mr. RANDOLPH. I believe that is correct.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 25 of the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929, is amended by striking out the following language in the first sentence of said section: "that he practiced the healing art under authority of said license for not less than 2 consecutive years immediately preceding the date of his application," and inserting in lieu thereof the following: "that he practiced the healing art after the issuance of said license for not less than 1 continuous year out of 3 years immediately preceding the date of his application"; and inserting after the words "District of Columbia." at the end of the first sentence of said section the following: "The required 1 continuous year's practice may be either private, institutional, or governmental, or a combination thereof."; and striking out the words "without examination" wherever they appear in the second and third sentences of said section and inserting in lieu thereof the following: "under substantially the same terms and conditions."

With the following committee amendment:

Page 2, line 10, strike out "sentence" and insert in lieu thereof: "and third sentences."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPLICATION OF DISTRICT OF COLUMBIA HEALTH REGULATIONS TO GOVERNMENT EATING PLACES

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4867), to extend the health regulations of the District of Columbia in Government restaurants within the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. RANDOLPH. Mr. Speaker, at the present time the restaurants and cafeterias which are operated through Government channels are not inspected from the standpoint of health regulations. This bill would make existing and subsequent regulations adopted by the Commissioners of the District of Columbia for the protection of health, including the penalty provisions of such regulations applicable to all restaurants and other eating and drinking establishments operated in the District of Columbia, whether owned by the United States Government, or any Federal agency, or by any other person. The need for this has become apparent as the result of various hearings conducted by the committee and through reports received by various members with reference to conditions prevailing in eating places in Government departments. The Government cafeterias are not inspected as are the private eating places in the District of Columbia.

Mr. MARTIN of Massachusetts. This provides for equal inspection?

Mr. RANDOLPH. Yes; it provides for uniform inspection.

Mr. STEFAN. Will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Nebraska.

Mr. STEFAN. It has nothing to do with the health examination of employees in the restaurants, does it?

Mr. RANDOLPH. This has to do with the operation of the restaurants themselves and does not apply to the employees.

Mr. STEFAN. Under the present law every employee of an eating place in the

District of Columbia must have a health certificate?

Mr. RANDOLPH. That is correct. It is a regulation of the Health Department of the District.

Mr. STEFAN. They must go through some kind of health examination?

Mr. RANDOLPH. Yes.

Mr. STEFAN. That program has not worked out to the best interests of the health people of the District of Columbia for the reason that a bottle neck has occurred and thousands upon thousands have not yet been able to secure this health examination. The health officials of the District are very much disturbed about this situation. Can the gentleman tell us something about that? Will this meet the situation?

Mr. RANDOLPH. This bill would not go to that subject matter. It would only go to the inspection of the restaurants themselves and force them to meet the requirements of the District Health Department. It would not affect the employees.

Mr. STEFAN. A very serious problem has arisen here in that there are not enough employees in the Department of Health to inspect all of those employees who are working and handling food in the various eating places of the District of Columbia.

Mr. RANDOLPH. The committee will go into the matter further and get a report.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the regulations now or hereafter adopted or promulgated by the Commissioners of the District of Columbia for the protection of health, including the penalty provisions of such regulations, shall extend and apply to all restaurants, coffee shops, cafeterias, short-order cafes, luncheonettes, soda fountains, and all other eating and drinking establishments, operated within the District of Columbia on premises owned or held under lease by the Government of the United States or any Federal department or agency, irrespective of whether such establishments are operated by the United States or any Federal department or agency or by any other person, firm, association, or corporation, and also irrespective of whether such establishments are operated for profit or otherwise.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

POWERS AND DUTIES OF BOARD OF PUBLIC WELFARE, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2465) to redefine the powers and duties of the Board of Public Welfare of the District of Columbia, to establish a Department of Public Health, and for other purposes.

The Clerk read the title of the bill.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent that this bill go over without prejudice, for the reason that it is a very controversial piece of legislation.

The SPEAKER. The gentleman is making a very unusual request. Does the gentleman from West Virginia desire to withdraw the bill from further consideration?

Mr. RANDOLPH. Mr. Speaker, I will only take 30 seconds. This bill was reported unanimously from the House District Committee after extensive hearings over a period of 2 months. We believe that the bill is in the best interests of the District of Columbia, but realizing the injunction under which we are operating today that controversial legislation would not be considered, certainly your District Committee would want to comply.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Nebraska.

Mr. STEFAN. I know that the D'Alesandro committee has been holding extensive hearings on this very important piece of legislation.

Mr. RANDOLPH. And they reported unanimously to our full committee.

Mr. STEFAN. This bill means the life or death of the Board of Public Welfare of the District of Columbia, a Board composed of volunteer workers, prominent people, who have given their time without cost to the District Government in the operation of the various charitable organizations in the District of Columbia. The legislation is so controversial that I feel it is not in the best interests of the people of the District of Columbia to pass on it within the few minutes' time we have.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to withdraw the bill, but I desire to say that the gentleman from Washington [Mr. COFFEE], chairman of the subcommittee, indicated that he was in favor of this legislation. We have had a unanimous report. I will withdraw it for the time being.

Mr. STEFAN. Mr. Speaker, I think we ought to have more time for debate. I am not for or against it.

Mr. RANDOLPH. We are just redefining the duties of the Board. We are not doing away with the Board of Public Welfare of the District of Columbia.

Mr. STEFAN. Does not the gentleman feel we ought to have more time to debate it?

Mr. COFFEE. Mr. Speaker, reserving the right to object, I may say to the gentleman from Nebraska and the chairman of the District Committee, in view of the fact that there are some Members who feel as does the gentleman from Nebraska that there should be further inquiry into the extent and scope of the bill, although I favor the bill I think it would be in the interest of time to withdraw it at this time.

Mr. STEFAN. I think in deference to the members of the Board of Public Welfare who have given their time for so many years free of charge to the best interests of the District we ought to give this bill some serious consideration.

Mr. RANDOLPH. Mr. Speaker, I reluctantly withdraw the bill in deference to the gentleman from Nebraska.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

EXTENSION OF REMARKS

Mrs. LUCE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter from a constituent.

The SPEAKER. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

MRS. MILDRED MAAG

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2711) for the relief of Mrs. Mildred Maag, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 6, strike out "$3,857.03 and insert "$2,857.03.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF EMERGENCY PRICE CONTROL AND STABILIZATION ACTS OF 1942

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942, and the Stabilization Act of October 2, 1942, from June 30, 1944, to June 30, 1945, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 4941, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

Mr. SPENCE. Mr. Chairman, I would like to know how many pending amendments there are to this section?

The CHAIRMAN. According to the record submitted to the Chair by the Clerk it appears that there are five amendments on the desk offered by the gentleman from Michigan [Mr. HOFFMAN], and one offered by the gentleman from Kentucky [Mr. SPENCE], to section 5.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent to withdraw my amendment to section 5. I shall offer it to section 6.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on section 5 and all amendments thereto close in 20 minutes.

Mr. HALLECK. Mr. Chairman, reserving the right to object, I desire 5 minutes, not on this amendment but on a matter of importance, so there will be some understanding by some of us who

have something to discuss other than that that pertains specifically to the amendment. I have no objection, and I want to expedite consideration of the bill.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on section 5 and all amendments thereto close in 30 minutes.

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, the Chair has just stated that I have five amendments. I have five amendments there that may be considered as one, or en bloc, and I only ask for 5 minutes on all five; that is, 1 minute on each. There are three other amendments here that are important and have to do with procedure. I would like to have 5 minutes on those amendments.

Mr. SPENCE. Thirty minutes will take care of all the time the gentleman needs. I renew my request that all debate on section 5 and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment.

Mr. Chairman, I ask that the reading of the amendment be waived because it is printed on page 5718 of the RECORD of last Saturday.

The CHAIRMAN. The gentleman from Michigan offers an amendment and asks unanimous consent that the reading of the amendment be waived? Is there objection?

Mr. SPENCE. I object, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On pages 13, 14, and 15 strike out section 203 (a) and insert the following:

"PROCEDURE

"SEC. 203. (a) After the issuance of any regulation, order, or price schedule, whether issued prior or subsequent to the effective date of this act, any person subject to any provision of such regulation, order, or price schedule may, at any time, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections. Statements in support of or in opposition to any such regulation, order, or price schedule shall be received and incorporated in the transcript of the proceedings at such time and in accordance with such regulations as may be prescribed by the Administrator. Within a reasonable time after the filing of any protest under this act, but in no event more than 60 days after such filing (in the case of highly perishable commodities, such as fruits and vegetables, 10 days), unless by written stipulation the protestant consents to an extension of time, the Administrator shall either grant or deny such protest in whole or in part. In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice."

Mr. HOFFMAN. Mr. Chairman, as I stated a moment ago, on last Saturday I asked permission to print these amendments in parallel columns in the RECORD, and they appear on page 5718 and subsequent pages.

The only difference between this amendment and the provision contained in the bill is that it provides that when a protest is filed with reference to a ruling or a regulation on perishable goods the Administrator must decide that within 10 days. Then it strikes out from the committee bill that provision which provides that after a protest has been filed the Administrator may take further and additional testimony, and hold further hearings.

The purpose of that is this: We have found that the National Labor Relations Act contains a similar provision, and even after the National Labor Relations Board has decided a case and after an appeal has been taken to the circuit court of appeals, then, on various occasions, the National Labor Relations Board has come along and held further hearings. I hope you get the point. It enables the Administrator to delay a decision indefinitely, and after a decision has been once rendered by the Board, to go back and rehash and again delay the case even though the case is pending in the circuit court of appeals. The only purpose of the amendment is to expedite the hearing.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from New York.

Mr. BARRY. Does it mean that the O. P. A. must make a final decision within 60 days?

Mr. HOFFMAN. It means that they must make a final decision within the 60 days, which is 30 days more than the committee bill gives them. It means that where the order affects perishable products they must make it within 10 days.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think this amendment well illustrates the futility of attempting to write a complicated and involved law on the floor of the House. The committee spent a long time in considering these procedural amendments. We have liberalized this law. We think we have given an opportunity to all the litigants to have their cases fairly and impartially considered by not only the Administrator but the Emergency Court of Appeals. We have made provision for the expedition of these decisions. We have liberalized the law in many respects. It is an involved and complicated matter. It certainly would not be advisable, it seems to me, to rewrite on the floor of the House that whole method of procedure, as the gentleman from Michigan attempts to do. I ask that the amendment be voted down.

Mr. BARRY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I offered a similar amendment in committee, and it was voted down. This is the situation which I should like to have you consider. Under the present law and under the amendments we propose, there is no time limit on when the O. P. A. must decide a question that is pending before it, and which must be decided before the Emergency Court of Appeals can assume jurisdiction. We have provided a reasonable length of time. If it is not decided within that time, then the protestant may appeal to the Emergency Court of Appeals to assume jurisdiction. However, that puts an additional burden on a protestant.

I feel that 60 days is a reasonable length of time, even though we must add additional members to the O. P. A. staff. One of the most serious complaints directed against the O. P. A. is its failure to make a decision. Many citizens are given a constant run-around, and time goes on, meetings take place, and conversations take place, but in the meantime a man may be out of business. I feel that 60 days is a reasonable length of time for the O. P. A. to make up its mind about a ruling or regulation that they themselves put into effect. Many Members do not seem to realize that the Emergency Court of Appeals cannot assume jurisdiction until the O. P. A. reviews the protest twice. I therefore recommend to the House that it support this amendment.

Mr. SMITH of Virginia. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I just want to endorse the statement made by the gentleman from New York in support of this amendment. The gentleman from Kentucky speaks of the danger of writing a bill like this on the floor. There is also a danger in writing it somewhere else if you are not familiar with the defects that ought to be corrected.

I want to tell you just what is happening under the present law and what will happen under the law as reported by the Committee on Banking and Currency. The law now provides that you can get into court only after the procedure provided under this section has been carried out. This procedure provides that you must file a protest with the Administrator and he must decide that protest within 60 days unless—now, the "unless" is the joker in the whole bill—he must decide it within 60 days unless he asks for further evidence.

This is what has happened, and we had case after case about it where people had never been able to get into court to have their grievances heard, because when the 60 days expired, the Administrator then asked for further evidence, and when he asked for further evidence all limitations of time were off. He did not have to decide the thing at any time, and did not decide it.

We had a case here where they went into the Federal courts in just that situation and the court, while it did not mandamus them, notified the Administrator that unless he did decide that protest the court would mandamus him. Under the committee bill, while it seeks to improve the situation, it requires that he decide it within a reasonable time and then the protestant may go into court and ask for a mandamus and compel him to decide it. So what you do is put the citizen to the necessity of two court procedures in order to get that case decided. First he must ask for a mandamus if it is not decided and if he gets a mandamus then

the Administrator must decide it and then you come to the Emergency Court.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BARRY. It has been testified before the committee that the average protest to be reviewed by the O. P. A. takes 110 days or 3½ months before the protestant may reach the Emergency Court of Appeals.

Mr. SMITH of Virginia. That is, if he chooses to decide it. The point I am getting at is if the Administrator does not choose to decide it the protestant can ask for a mandamus and then the Government will have to decide the protest.

Mr. BARRY. The Emergency Court of Appeals must determine what a reasonable length of time is.

Mr. SMITH of Virginia. Otherwise the party can never get the case back into court.

Mr. WOLCOTT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I want to call the committee's attention to some of the differences between the amendment offered by the gentleman from Michigan [Mr. HOFFMAN], and the committee bill. The amendment offered by the gentleman from Michigan strikes out the provision that this procedure should be in accordance with the regulations to be prescribed by the administrator. Therefore you throw your whole machinery for review into confusion, because there is no procedure set up. In the next place it says, that unless he acts, grants, or denies the petition within 30 days it shall be considered as having been denied, and in the case of perishable fruits and vegetables, it allows him only 10 days within which to do that. At the end of 10 days, which is hardly time enough for the clerk to stamp the receipts stamp on the petition, he must act and of course all he can do is to deny the petition. If he is compelled to act within 30 days on other petitions, then all he can do is to deny them. Then the aggrieved person, the protestant, must go into the Emergency Court of Appeals and the Emeregency Court of Appeals, of course, not having any record before it, has nothing to do but to remand the matter back to the Administrator to perfect the record. Therefore you do not accomplish anything by it. You throw the machinery by which the protest is considered into confusion. You so restrict the procedure that the protest is denied in many cases where it might otherwise be granted. The advantage under the committee amendment is that the procedure allows him to perfect his case before it is reviewed by the Emergency Court of Appeals.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield for a correction in his statement?

Mr. WOLCOTT Yes.

Mr. HOFFMAN. With all due respect to the gentleman, he is in error; he is absolutely wrong, when he says that this amendment, which is printed here, and he can read it for himself, strikes out this provision.

Mr. WOLCOTT. I have it, and I have read it.

Mr. HOFFMAN. All right. The gentleman said it struck out this provision or regulation. I am reading now the exact words of your committee bill:

Statements in support of or in opposition to any such regulation, order, or price schedule may be received and incorporated in the transcript of the proceedings at such times and in accordance with such regulations as may be prescribed by the Administrator.

Now what is the use of making a statement such as the gentleman did that this amendment strikes that out? It does not.

Mr. WOLCOTT. If the gentleman will read his own committee report, he will find where the words have been stricken out.

Mr. HOFFMAN. I do not care about the committee report.

Mr. WOLCOTT. If the gentleman will read section 303, on page 16 of the select committee report, he will find where the words "in accordance with such regulations as may be prescribed by the Administrator" are stricken out. I think I can read English and I know what I am talking about.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. Yes.

Mr. BARRY. It has been testified before our committee the record on reaching the Emergency Court of Appeals merely consists of the protest and the denial, probably supported by a couple of affidavits.

Mr. WOLCOTT. Yes.

Mr. BARRY. Rarely is testimony taken.

Mr. WOLCOTT. Under the committee bill he can go into the Emergency Court of Appeals at any time, even within 30 days, and ask for an order directing the Administrator to expedite the consideration of the matter and the Administrator is compelled to make his return or his finding within the time set by the Emergency Court of Appeals. In that way you get a record made.

Mr. BARRY. The gentleman stated the Emergency Court of Appeals would have to return the record or remand the case. That is not so.

Mr. WOLCOTT. I think the gentleman is incorrect because we gave the Emergency Court of Appeals original jurisdiction.

Mr. BARRY. That is, original jurisdiction.

Mr. WOLCOTT. But, of course, in practice the Emergency Court of Appeals, in these cases where there has not been time enough for the perfection of the record, is going to remand the case back and the O. P. A. is going to be asked to furnish economic data and everything else which is necessary.

Mr. BARRY. No; there is no need to send it back. This amendment gives the Emergency Court of Appeals original jurisdiction.

Mr. WOLCOTT. They can ask for a record. They can perfect it any way they please, can they not?

Mr. BARRY. That is, to send it back.

Mr. WOLCOTT. That is because they can send it back.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The question was taken.

The amendment was rejected.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On page 14, at the beginning of line 21, strike out paragraph (b) and insert in lieu thereof the following:

"(b) In the administration of this act the Administrator may take official notice of economic data and other facts, including facts found by him as a result of action taken under section 302, but all such economic data and other facts of which the Administrator takes official notice shall be made available to the protestant, and he shall be given the right to question the officials compiling same as to their source, and he shall also be given the opportunity to show their incorrectness."

The CHAIRMAN. Permit the Chair to submit this as a suggestion, that only 5 minutes remain. Would it be agreeable to the gentleman from Michigan to be recognized for two and a half minutes and that the committee be allowed the other two and a half minutes?

Mr. HOFFMAN. Mr. Chairman, what else can I do?

The CHAIRMAN. The Chair offers that as a suggestion as being a fair arrangement.

Mr. HOFFMAN. All right, Mr. Chairman.

The CHAIRMAN. Without objection, the gentleman from Michigan [Mr. HOFFMAN] is recognized for two and a half minutes and the committee will be recognized for the other two and a half minutes.

There was no objection.

Mr. HOFFMAN. Mr. Chairman, you see where you are caught and where I am caught? Now here are amendments that the House will not give consideration. I have done all that anyone could do. I had them printed, as I said, paralleling the sections of the committee bill. These subsequent amendments provide the same sort of relief that the House yesterday voted into investigations, and that is, that the person charged with a violation might appear, produce witnesses, and be heard. If you do not want to write that in, as I said yesterday, I cannot force it through alone. My record is going to be clear on this thing and there is not going to be any mistake about it, and when my constituents complain to me about the fallacies and the injustices of this legislation as they will, and as they have been doing, my only answer is going to be that those in charge of the legislation refused to consider it or to adopt amendments which would have prevented the injustice.

This particular amendment does only this: I hope the gentleman from Michigan [Mr. WOLCOTT] who misquoted the other amendment, unintentionally and inadvertently, will read this one. The only change in this amendment from the committee provision is that where the Administrator goes outside the record and gets facts—data as they call it—then the man who is charged with a violation shall be permitted to challenge the correctness of that evidence. If you

want to deny to an American citizen the right to prove that the evidence which has been introduced against him is not true, I say again, it is all right with me, I cannot prevent it. I offer the amendment and ask its adoption.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I want to call attention to the fact that the committee amendment provides that in the administration of this act the Administrator may take official notice of economic data and other facts, which includes all of the facts stated by the gentleman from Michigan [Mr. HOFFMAN]. In respect to the investigations, that does not mean that he may be represented by counsel, that he may have a right to cross-examine witnesses. These are hearings and, of course, hearings under the rulings of the courts, especially in the last case in the Illinois Circuit Court of Appeals, the distinction having been drawn between "investigations" and "hearings," in a hearing he can be represented by counsel. He can examine the whole record at any time during the proceedings, even after he gets into the Emergency Court of Appeals, and he has a right to inspect this data and these facts and comment upon them and protect his case in exactly the same manner as a case is protected which goes from a district court to the circuit court of appeals. That is what we have protected in this bill; and I do not think the gentleman should make the charge that we have not given a hearing on these matters. This whole matter was before the Committee on Banking and Currency. We studied the Smith committee report earnestly and gave very serious consideration to it. In consequence we brought out this procedural and review amendment which, to my mind, is a very happy compromise between the two extremes of whether the Administrator shall do all of this behind closed doors, or whether he shall do it effectively and preserve all the rights which every protestant might have.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

Mr. HOFFMAN. Mr. Chairman, I offer a further amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: Pages 13, 14, and 15, strike out section 203 (a) and insert the following:

"PROCEDURE

"SEC. 203. (a) After the issuance of any regulation, order, or price schedule, whether issued prior or subsequent to the effective date of this act, any person subject to any provision of such regulation, order, or price schedule may, at any time, file a protest specifically setting forth objections to any such provision and affidavits or other written evidence in support of such objections. Statements in support of or in opposition to any such regulation, order, or price schedule shall be received and incorporated in the transcript of the proceedings at such time and in accordance with such regulations as may be prescribed by the Administrator. Within a reasonable time after the filing of any protest under this act, but in no event more than 60 days after such filing (in the case of highly perishable commodities, such as fruits and vegetables, 10 days), unless by written stipulation the protestant consents to an extension of time, the Administrator shall either grant or deny such protest in whole or in part. In the event that the Administrator denies any such protest in whole or in part, he shall inform the protestant of the grounds upon which such decision is based, and of any economic data and other facts of which the Administrator has taken official notice."

Mr. WOLCOTT. Mr. Chairman, I make a point of order against the amendment that it is exactly the same amendment as the gentleman first offered and which the Committee rejected. I might suggest that on page 17, of the subcommittee report there is a section (d) which starts out in about the same manner and perhaps that is what led to the confusion.

The CHAIRMAN. The Chair has examined the amendment and it appears to the Chair to be the same amendment. The Chair is unable to detect any difference and, therefore, the Chair sustains the point of order.

Mr. HOFFMAN. Mr. Chairman, I offer a further amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On page 15, line 2, after the semicolon following the word "brief", insert the following: "*Provided, however*, That, upon any hearing held by the Administrator or by the Board, upon written request, an oral hearing shall be held at which witnesses shall be heard and any party to such proceedings shall have the right to cross-examine such witnesses."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was rejected.

The CHAIRMAN. Does the gentleman desire to offer further amendments to this section?

Mr. HOFFMAN. Not to this section.

The CHAIRMAN. Are there any other amendments to section 5? As the Chair understood, the gentleman from Kentucky [Mr. SPENCE] proposes an amendment by adding a new section following section 5.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent to withdraw that, and I will reoffer it following section 6.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 6. Section 204 of the Emergency Price Control Act of 1942, as amended, is amended by adding at the end thereof the following new subsection:

"(e) (1) At any time prior to or within 5 days after judgment in any proceeding brought pursuant to section 205 involving alleged violation of any provision of any regulation or order issued under section 2 or of any price schedule effective in accordance with the provisions of section 206, the defendant may apply to the court in which the proceeding is pending for leave to file in the Emergency Court of Appeals a complaint against the Administrator setting forth objections to the validity of any provision which the defendant is alleged to have violated. The court in which the proceeding is pending shall grant such leave with respect to any objection which it finds is made in good faith and with respect to which it finds there is reasonable and substantial excuse for the defendant's failure to present such objection in a protest filed in accordance with section 203 (a). Upon the filing of a complaint pursuant to and within 30 days from the granting of such leave, the Emergency Court of Appeals shall have jurisdiction to enjoin or set aside in whole or in part the provision of the regulation, order, or price schedule complained of or to dismiss the complaint. The court may authorize the introduction of evidence, either to the Administrator or directly to the court, in accordance with subsection (a) of this section. The provisions of subsections (b), (c), and (d) of this section shall be applicable with respect to any proceeding instituted in accordance with this subsection.

"(2) In any proceeding brought pursuant to section 205 involving an alleged violation of any provision of any such regulation, order, or price schedule, the court shall stay the proceeding—

"(i) during the period within which a complaint may be filed in the Emergency Court of Appeals pursuant to leave granted under paragraph (1) of this subsection with respect to such provisions;

"(ii) during the pendency of any protest properly filed by the defendant under section 203 prior to the institution of the proceeding under section 205, setting forth objections to the validity of such provision which the court finds to have been made in good faith; and

"(iii) during the pendency of any judicial proceeding instituted by the defendant under this section with respect to such protest or instituted by the defendant under paragraph (1) of this subsection with respect to such provision, and until the expiration of the time allowed in this section for the taking of further proceedings with respect thereto.

Notwithstanding the provisions of this paragraph, in the case of a proceeding under section 205 (a) the court granting a stay under this paragraph may issue a temporary injunction or restraining order enjoining or restraining, during the period of the stay, violations by the defendant of the provision of the regulation, order, or price schedule involved. If any provision of a regulation, order, or price schedule is determined to be invalid by judgment of the Emergency Court of Appeals which has become effective in accordance with section 204 (b), any proceeding pending in any court shall be dismissed, and any judgment in such proceeding vacated, to the extent that such proceeding or judgment is based upon violation of such provision. Except as provided in this subsection, the pendency of any protest under section 203, or judicial proceeding under this section, shall not be grounds for staying any proceeding brought pursuant to section 205."

Mr. SPENCE. Mr. Chairman, I wonder if we cannot agree to a time limit for the discussion of this section?

Mr. Chairman, I suggest that debate on this section and all amendments thereto close in 35 minutes.

Mr. HALLECK. Mr. Chairman, reserving the right to object, I should like to suggest to the gentleman that on the previous section I sought to make arrangements by which I might have 5 minutes to speak. Time ran out and I could not be recognized. I am going to seek recognition in connection with this section.

Mr. SPENCE. Then I suggest 50 minutes.

Mr. DIRKSEN. Let me suggest that this deals with the question of review.

The CHAIRMAN. Permit the Chair to suggest that 12 Members have been

standing during this time. Five minutes apiece would be 60 minutes, of course.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 1 hour.

Mr. DIRKSEN. Mr. Chairman, reserving the right to object, let me suggest to the gentleman from Kentucky that, with 12 amendments pending, 5 minutes for and 5 against would mean 2 hours. I think 1 hour is not enough to deal with an important matter of this kind.

Mr. SPENCE. I realize that the Members want to be heard, but it is perfectly apparent to everyone that unless we have some time limit we are not going to get through. I do not want to cut anybody off. Let us make it 1 hour and 20 minutes.

The CHAIRMAN. Permit the Chair to make a brief statement with regard to the legislative situation. When we started today there were 27 amendments at the Clerk's desk, which is 10 more than we had when we first started reading the bill for amendment. This will indicate the progress that is being made. This is the fourth day of reading the bill for amendment and we start out today with 10 amendments more than we had when we first started reading the bill.

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, what difference does it make whether we take 3 days, 4 days, or a week, if we get a bill? Not only that, but we are now coming to one of the most important sections of the bill—that which provides for court review. Why shut off and gag the American people? Why not give us a little chance to legislate?

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 1½ hours.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. HOFFMAN. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 1½ hours.

The CHAIRMAN. The motion is not in order now. It is not in order to move to close debate on a section until some debate has been had.

The gentleman from Kentucky has offered an amendment. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: On page 16 strike out line 8 and insert in lieu thereof the following:

"SEC. 6 (a) subsection (c) of section 204 of the Emergency Price Control Act of 1942 as amended, is amended by inserting immediately after the third sentence thereof a new sentence as follows: 'Two judges shall constitute a quorum of the court and of each division thereof.'

"(b) Section 204 of the Emergency Price Control."

Mr. SPENCE. Mr. Chairman, this amendment was suggested by the Chief Judge of the Emergency Court of Appeals, Albert B. Maris, as a result of the experience of that court. The court may sit anywhere in the United States. It sits in divisions of three. Even if there were an increase in the number of judges it will still be divided into divisions. Because of the exigencies of railroad travel and the uncertainties of sickness and other contingencies that might result the court feels that it is absolutely necessary to have this amendment in order that it may function properly. It can, of course, do no injury to the litigants because if the two judges do not agree they will have to send for the third judge. Judge Maris feels this will expedite the decisions of the court and will facilitate its work.

I ask that the amendment be adopted. I also insert at this point a letter I have received from Judge Maris on the subject. I secured permission in the House to insert this letter in my remarks.

The letter referred to follows:

UNITED STATES EMERGENCY
COURT OF APPEALS,
Philadelphia, Pa., June 7, 1944.

Hon. BRENT SPENCE,
Chairman, Committee on Banking and Currency, House of Representatives, Washington, D. C.

DEAR MR. SPENCE: The Emergency Court of Appeals desires to suggest a procedural matter with respect to which we think it would be well to amend the present Emergency Price Control Act. We would have communicated with you on this subject earlier except that we have been away from home on a 2 weeks' trip in which we held hearings in the far West and the Middle West and from which we have just returned. The matter is the quorum required to transact business in our court. The present act is silent upon the matter of a quorum. It fixes the number of the judges at not less than three in the case of the court and of the divisions of the court which are authorized to be set up.

It is our practice and purpose to assign three judges to hear all cases, but it may well occasionally happen, particularly in view of the many field hearings which we now schedule, that one of the three judges will not be able, due to the exigencies of transportation, illness, or other compelling cause, to be present at the time and place fixed for hearing. We, therefore, suggest that a quorum of two be authorized so that in such an emergency the two judges who are present may proceed to hear and dispose of the scheduled case rather than to delay the litigant's cause until a third judge can be secured. Since the two judges who are present would have to concur in any action taken by the court, a litigant could hardly be prejudiced by the absence of the third judge. If the two could not agree it would, of course, be necessary to rehear the case with a third judge present, but this situation would probably very rarely occur.

The Circuit Court of Appeals Act provides that three judges shall ordinarily sit, but that two shall constitute a quorum for the transaction of business. We think that a similar provision should be made for our court and I am accordingly enclosing an amendment to H. R. 4941 to cover this point. We will be very happy to have you give consideration to it.

With kindest regards, I am
Sincerely yours,

ALBERT B. MARIS,
Chief Judge.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. O'HARA. I did not quite understand the place where this amendment fits in the bill. It does not strike out the section but adds to it; am I correct?

Mr. SPENCE. It does not strike out anything, but adds a section.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The amendment was agreed to.

Mr. SPENCE. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 1 hour and a half.

The CHAIRMAN. The question is on the motion.

The motion was agreed to.

Mr. SUMNERS of Texas. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SUMNERS of Texas. I would like to know how it may be known among whom this 1½ hours is to be divided, and how much time each gentleman is to get.

The CHAIRMAN. The Chair is not prepared to tell the gentleman. There are quite a number of amendments pending to this section and it will be the endeavor of the Chair to try to recognize those who have amendments to this section and to dispose of each amendment after the time allowed under the rules of the House for debate. The Chair will be as fair as possible and of course members of the committee are entitled to first recognition.

The Chair recognizes the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 17, line 1, strike out the words "and within 30 days from."

Mr. WOLCOTT. Mr. Chairman, this section provides that the court may grant a stay of proceedings for the purpose of testing the validity of any regulation or order in the Emergency Court of Appeals. Then this language appears:

Upon the filing of a complaint pursuant to and within 30 days from the granting of such leave, the Emergency Court of Appeals shall have jurisdiction to enjoin or set aside in whole or in part the provision of the regulation, order, or price schedule complained of or to dismiss the compaint.

The amendment which I have offered would strike out the language "and within 30 days from" because it is my opinion that that restricts and limits the jurisdiction of the Emergency Court of Appeals in that it compels them to act within 30 days and if they do not act or cannot act within 30 days they lose jurisdiction.

We have provided in other sections of the bill that the Emergency Court of Appeals may expedite these proceedings and it would seem to me that we should not defeat the purposes of the bill by limiting to 30 days the time in which the Emergency Court of Appeals may consider the complaint.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan.

Mr. Chairman, as I understand the amendment it provides that the protestant can take an appeal to the Emergency Court of Appeals at any time. There is no limitation upon his right to file appeal. There is no time limitation in the Emergency Court of Appeals. If that is true, it seems to me that is not consonant with the ordinary practice. In every statute there is some provision that the appellant must take his appeal in a definite time, otherwise he loses. That prevails everywhere. It seems to me that to give a protestant before the Price Administration an opportunity to appeal at any time within his discretion would certainly not be in conformity with the ordinary practices even in the courts. If that is the effect of the amendment I do not believe I could agree to it. May I ask the gentleman from Michigan if that is the effect of his amendment?

Mr. WOLCOTT. The whole matter, in my opinion, is left in the discretion of the lower court anyway. If the complaint is not filed within a reasonable length of time or in accordance with the provisions of the stay, then, of course, the lower court could use its discretion as to whether it should further stay the proceedings. I am firmly convinced that unless the complaint is made, regardless of any action taken by the lower court or the Emergency Court of Appeals, within 30 days, then the Emergency Court of Appeals loses jurisdiction. I do not want them to lose jurisdiction. I want them to retain jurisdiction and I want the lower court to retain jurisdiction so they will have jurisdiction over these appeals. We do not want to defeat the purpose of this bill by limiting either court.

Mr. SPENCE. In all law there is provided time for appeal or else the appellant loses the appeal. If the protestant or appellant does not care to take an appeal he loses. I think a reasonable time should be given him to appeal, but I do not think he should have forever to take that appeal because that would be contrary to the general practice in all the courts. This amendment, in my opinion, should not be adopted if that is the effect of it, and I think that is the effect.

Mr. WOLCOTT. My amendment leaves to the court the question as to whether he has appealed within a reasonable time.

Mr. SPENCE. The protestant ought to have a definite right of appeal in a definite time. I do not think we ought to leave that to any court.

Mr. McCORMACK. Will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. It seems to me, from listening to what both gentlemen have said, that the gentleman from Kentucky, as I understand it, is concerned that this might leave with the protestant the right to appeal even after 6 months to the Emergency Court of Appeals, or at any time within his discretion. I am sure the gentleman from Michigan would not want that situation to exist. Am I right?

Mr. WOLCOTT. It does not exist under the present language. If we leave this in it takes away from the lower court all jurisdiction. There may be circumstances under which he cannot file a complaint within 30 days and the lower court should be given some authority to determine whether he has acted within a reasonable time. There are certain cases and certain circumstances, perhaps, where it would be impossible to file a complaint within 30 days. If the complaint is not filed within 30 days, then the Emergency Court of Appeals has no jurisdiction over the matter. I think we should leave this in the discretion of the lower court as to whether it will continue this stay for 30 days or 31 days or 60 days. Thirty days is purely arbitrary.

Mr. McCORMACK. Suppose we strike out 30 days, the question addresses itself to me whether the Emergency Court of Appeals by rule of the court would have authority to provide for any period. That is usually provided by statute. In Massachusetts if you appeal from a municipal court to the superior court, it has to be done in the following month from the time the case was entered in the lower court. In other words, a defendant cannot have an indefinite time in which to file an appeal. Yet I see the gentleman's point. My suggestion is this, in an effort to meet the situation, in an effort to try to harmonize the situation: Would it not be better to say "Within 30 days from the granting of such leave or such further time as the Emergency Court might extend"?

Mr. WOLCOTT. They are not in the Emergency Court of Appeals until they file the complaint. If the gentleman will go back to the language in lines 22 and 23, page 16, he will find this stay is granted only where there is good faith. Of course, if the stay is asked merely for the purpose of delaying the proceedings, then it is wholly within the jurisdiction of the court to provide the time in which complaint shall be made, otherwise it would be interpreted by the court that he has not used good faith.

Mr. McCORMACK. As I understand it, the gentleman from Kentucky is disturbed; if you strike out these words, it may give a protestant, say, 6 months to appeal to the Emergency Court of Appeals. I am sure the gentleman does not want that.

Mr. WOLCOTT. No. The Administrator could then go into court and the court could determine at any time after it has granted the stay whether there was good faith and the court could order the stay vacated and the proceedings continued.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The amendment was agreed to.

Mr. WOLCOTT. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 17, line 18, strike out the word "provisions" and insert "provision."

Mr. WOLCOTT. Mr. Chairman, it has been called to my attention that that was a mistake made by the Printing Office.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. DILWEG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DILWEG: Page 16, line 11, after the word "time", strike out "prior to or"; in line 19, strike out "is elected" and insert "has been found"; page 17, line 11, strike out the word "in" and insert the words "after judgment in"; line 12, strike out "involving an alleged" and insert the word "for"; line 15, after "(i)" insert "for 5 days after judgment and."

Mr. DILWEG. Mr. Chairman, the effect of this amendment is to permit a stay only after trial, conviction, and sentence, rather than allow a stay of the whole enforcement proceedings. It provides a stay of execution of judgment and permits a special appeal to the Emergency Court of Appeals on the issue of validity.

We must bear in mind that the basic theory of the price-control statute is that there is an unqualified obligation to comply with regulations unless and until they have been held invalid. It is absolutely essential to effective price control that price regulations be fully complied with, even while litigation is pending as to their validity. To secure such compliance, the Price Administrator must be able to enforce a price regulation effectively and without protracted delays, even though a protest or a complaint as to it is outstanding. It is also essential that people should not be encouraged to gamble on the outcome of litigation by violating a regulation on the chance that it would be held invalid in enforcement proceedings or that a subsequent holding of invalidity by the Emergency Court of Appeals will allow them to escape entirely the consequences of their violation. My purpose in limiting the special remedy is to eliminate its use as a means of delaying trial and removing a burden placed upon the O. P. A. enforcement staff of proving its case from 11 to 14 months after the case would normally get to trial, which, I believe, we can all agree, would be intolerable.

There is every reason to expect that most attorneys for defendants in enforcement proceedings would challenge the validity of the regulations as a matter of professional caution, if not for the purpose of strategic delay, irrespective of real doubt as to their validity. The result would be that virtually every enforcement proceeding brought by the Office of Price Administration would be stopped at the outset and held inactive on the court's docket pending exhaustive litigation by the defendant before the Administrator, the Emergency Court of Appeals, and the Supreme Court. In my speech in general debate I offered a dilatory timetable upon which every defendant could rely. I wish to repeat:

Elapsed time between filing a protest and decision by the Administrator now averages 111 days.

This time is necessary for the submission of evidence by the protestant, for the submission of evidence by the Administrator, for rebuttal evidence, for consideration by the Administrator, for preparing the decision

and opinion of the Administrator, and so forth. Under H. R. 4941, the elapsed time would certainly be longer. In the first place, many more protests would be filed because of the abolition of the 60-day time limit and because of the encouragement to violators to file protests. In the second place, the provision for consideration by the board of review would add appreciably to the elapsed time before action by the Administrator on the protest. In the third place, the protestant would have no incentive, in cases where an enforcement case was pending, to cooperate in obtaining prompt action on the protest. For these reasons, the period of delay pending decision on the protest would inevitably be longer than it is now.

The period authorized by the act for filing a complaint in the Emergency Court of Appeals after decision by the Administrator on the protest is 30 days.

Undoubtedly the dilatory defendant would wait until near the end of this period, as he would in similar periods enumerated below.

The period allowed by the rules of the Emergency Court of Appeals for filing of an answer to the protest is 23 days.

The period allowed by the rules of the Emergency Court of Appeals for filing of briefs is 40 days.

Setting of oral argument before the Emergency Court of Appeals adds another 10 days.

Decision by the Emergency Court of Appeals after oral argument averages 50 days.

Under the present act the time allowed after the decision of the Emergency Court of Appeals in which to apply for certiorari to the Supreme Court is 30 days.

Time necessary for the Government to file brief in opposition to certiorari is 20 days.

Period for action by the Supreme Court on petition for certiorari is 30 days.

If the petition is filed during the summer when the court is in recess the elapsed time might run as high as 120 days.

If the Supreme Court grants certiorari the filing of briefs, oral argument and decision would add another 90 days.

The total elapsed time, excluding delay by the Supreme Court because of its summer recess, and excluding the possibility that the Supreme Court will decide to review the case, is 344 days.

The basic concept embodied in the present act—that all persons shall comply with price regulations pending litigation over their validity—has been scrapped in theory and in practice.

We are all interested in placing every possible safeguard around the rights of any defendant to his defense against informal proceedings based upon an invalid rule or regulation. However, stale cases cannot be successfully prosecuted. Witnesses cannot be found; investigators and attorneys who know the case may leave the O. P. A., or be assigned elsewhere: present turn-over 60 percent per year. Again, I repeat that the burden would be intolerable and would certainly have its effect upon the efficient operation of the Office of Price Control. The Administrator has been criticized on unwarranted and unnecessary delays. I know of no better way to give any Administrator a better excuse for delay than to insist that his enforcement division follow the procedure set forth under the committee amendment. Enforcement would certainly break down completely while the absorption of the operating staff in the flood of litigation in the Emergency Court of Appeals would necessarily interfere with effective administration. I believe that this committee is confronted with this question: Do you want the Administrator to fight litigation, or do you want him to fight inflation?

I urge the adoption of this amendment.

Mr. BARRY. Mr. Chairman, will the gentleman yield?

Mr. DILWEG. I yield to the gentleman from New York.

Mr. BARRY. The gentleman does not mean that any rule or regulation is suspended at all while the lawsuit is pending in a civil or criminal proceeding against the defendant.

Mr. DILWEG. He does not.

Mr. BARRY. All this does is to permit the defendant to set up a defense of illegality which, if set up in good faith, the Emergency Court of Appeals may decide upon, and the case is only suspended during that time.

Mr. DILWEG. That is very true, but that delay may be 12 months or 14 months.

Mr. BARRY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, few people seem to realize that a protestant has only the right to go into the Emergency Court of Appeals, but that the enforcement agency has the right to indict a man and use any court in the land that is available.

Under the law as it now exists a person may be indicted, convicted, and serve time in jail under an illegal regulation and cannot plead its illegality in defense. What the committee has done is to provide, where a man has been prosecuted criminally, that he may question the legality of the regulation under which he is being prosecuted, and then if the district court decides that his objection is in good faith, the Emergency Court of Appeals will pass upon the legality or illegality of that regulation.

What the gentleman's amendment provides is to have the case go to sentence, have the man convicted, and then afterward have the Emergency Court of Appeals pass upon it. What would be the result of that? The innocent man would have the stigma of a conviction, and no matter how you would try to explain it afterward, he still would be in the position of someone who was convicted of a crime and subsequently pardoned, and he would carry that stigma on down through the years of his life. That is the position a defendant would be in in the event the gentleman's amendment is passed.

Mr. DILWEG. Mr. Chairman, will the gentleman yield?

Mr. BARRY. I yield to the gentleman from Wisconsin.

Mr. DILWEG. The gentleman says his only objection to my amendment would be that a defendant might have some stigma attached to him because of the fact that he was found guilty.

Mr. BARRY. That is not my only objection. I feel that a man has the right to set up a constitutional defense of illegality at any time in the proceedings. As a matter of fact, I proposed in committee that the district court itself should have the right to determine whether or not the rule or regulation was illegal.

Mr. DILWEG. Would the gentleman kindly explain how you can effectively prosecute cases if you are going to permit delays to the extent of 12 or 14 months?

Mr. BARRY. The district court could pass upon the good faith of the protestant. If the legality of the regulation was decided upon once it would affect all subsequent cases.

Mr. DILWEG. But all regulations are subject to amendment.

Mr. BARRY. Then a man should have the right to decide whether or not it is illegal.

Mr. DILWEG. Would it not be the natural thing for a lawyer to file such protest proceedings in order to delay the case?

Mr. BARRY. I think the majority of regulations are obviously legal, and it would be the exceptional case where a man would set up the defense of illegality.

Mr. DILWEG. If it is the exceptional case, why not favor my amendment?

Mr. BARRY. I do not want to see anybody go to jail in an exceptional case for a crime he did not commit.

Mr. DILWEG. He would not go to jail if he appeals in good faith, execution of the judgment would be stayed.

Mr. BARRY. I do not want to see a man convicted of a crime he did not commit, and then subsequently be pardoned.

Mr. DILWEG. No; he would not be pardoned.

Mr. BARRY. He would be tried and convicted by the court.

Mr. DILWEG. That is right.

Mr. BARRY. He would not go to jail but he would be convicted.

Mr. DILWEG. That is correct. The O. P. A. has had something like 5,000 criminal cases in the courts.

Mr. BARRY. Even one case of that kind is enough.

Mr. DILWEG. Of course; I cannot argue about that.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to refer to an amendment that was adopted by the Committee late yesterday afternoon, the implications of which I am quite sure were not understood by the Committee because, if they had been, I am confident the amendment would not have been adopted. It was offered by my good friend, the gentleman from New Jersey [Mr. TOWE] who is one of the able and outstanding Members of the House. However, I find myself in disagreement with him on this issue.

To go back just a little bit, you will recall that the O. P. A. started out on a very comprehensive scheme of standardization and compulsory grade labeling according to standard specifications, as part of its operations under the Price Control Act. The result was that the brand-name manufacturers, the trademark people, and many others, including

consumers, became tremendously disturbed at the implications of that program.

Subsequent to that time I introduced a resolution, House Resolution 98, which set up a special committee of the Committee on Interstate and Foreign Commerce to investigate those programs and to determine their place in the price-control scheme, their effect on our economy, and the over-all question of their desirability. After hearings were held by that committee, an amendment was written, first in an appropriation bill and subsequently in the other body in an extension of the Commodity Credit Corporation, which specifically prohibited the O. P. A. from resorting to that scheme of standardization and compulsory grade labeling according to standard specifications as a part of the price-control program.

The original prohibition went as to all standards and specifications. Subsequently it was pointed out that there had grown up in certain industries general or over-all industrial classifications or specifications or standards that had been accepted in general use, so a proviso was added to the prohibition excepting those standards and specifications that had been in general use prior to that time.

The amendment that was offered yesterday was to strike out the word "general" that has long been contained in the act and is presently contained in the act, and so to leave it that a standard or specification that had been in use might serve as the basis for the extension of that program.

I do not know for sure and no one could tell for sure in this body just what application might be put on that by the O. P. A. if the amendment is allowed to stand. There are many who are fearful that this amendment might operate to bring about a scheme of standardization of consumer goods attached to pricing in such a manner as to eliminate brand names and trade-marks. In other words, with that word taken out of the prohibition we might have a situation under which the O. P. A. in direct contradiction of the position that has been consistently taken by the Congress of the United States not only on this occasion and in this manner but in all legislation dealing with this problem in years past, might seek to impose standardization orders, standard specifications, and compulsory grade labeling in violation of the intent of Congress.

Therefore, when this matter comes back into the House, it is my purpose to ask that a separate vote be had upon that amendment in order that the amendment may be voted down, the word "general" may again be included in the prohibition contained in the statute and thus avoid the extension of these standardization orders which the Congress has determined as not necessary for price control and should not be permitted.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. VOORHIS. of California. Mr. Chairman, I move to strike out the last word.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. VOORHIS of California. I yield.

Mr. DIRKSEN. May I inquire just what the situation will be here with respect to debate in view of all the amendments that are pending, since the time is running?

Mr. O'HARA. I have an amendment also.

Mr. VOORHIS of California. Mr. Chairman, may I say that I propose to speak to the amendment that is now before the House.

May I say, Mr. Chairman, that I should like very much to make a 5-minute speech on the Disney amendment, but I am not going to do it at this time. I want to speak to this amendment.

Mr. HOFFMAN. Mr. Chairman, a parliamentary inquiry.

Mr. VOORHIS of California. I do not yield any more now.

Mr. HOFFMAN. A point of order, then, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. I understood the rule to be that the time was limited to 5 minutes in support of and 5 minutes opposed to each amendment. Maybe I am wrong.

The CHAIRMAN. That is true, but the gentleman offered a pro forma amendment, and he is speaking on that.

Mr. VOORHIS of California. May I remark that if there were to be any complaints about further speeches on this matter, they come exactly 5 minutes too late, particularly from the gentlemen on the left of the aisle.

There has been an amendment offered by the gentleman from Wisconsin, for whom I have the very highest regard, but it seems to me that the argument of the gentleman from New York in this particular instance is a valid argument.

As the House knows, I am a member of the Smith committee. The House also knows that I filed a minority report, along with the gentleman from New York [Mr. DISNEY], to the Smith committee report on this matter. One thing I did agree to in that minority report was the desirability of allowing an appeal to the courts to test the validity of O. P. A. rules and regulations, for it seems to me that such a court review and such an opportunity for court appeal will basically strengthen rather than weaken the structure of stabilization and price control.

If I understand the committee's language here, in my judgment the committee proposal is about the best one I have seen yet. I think the committee has dealt with all phases of this problem in about as effective a way as it could do. I am not a lawyer, and therefore these questions are a bit difficult for me, but, as I understand, what the committee has provided here is that any time a man is criminally prosecuted by the O. P. A. he may make an appeal to the court on the ground that he believes the regulation to be an invalid regulation under the law, and if the court finds that appeal on his part to be in good faith, the court may then stay proceedings against him until such time as the Emergency Court of Appeals within 30 days shall have decided that question. In other words, it appears to me that within 30 days after such an action has started the Emergency Court of Appeals must have decided once and for all and for the entire Nation whether or not this regulation is valid or invalid.

My further understanding is, and I want to be corrected if I am in error, that the bringing of an appeal of this sort does not suspend the effectiveness of the rule or regulation unless and until the Emergency Court of Appeals finds it to be invalid. That seems to me to be absolutely necessary, for if that were not the case you then might have situations such as I believe the gentleman from Wisconsin mentioned, where there could be an opportunity simply to bring these appeals, to ask for stays, purely for the purpose of suspending the operation of the rules and regulations.

I cannot see how the committee's proposal here is going to interfere with the effectiveness of price control. On the contrary, as I have said, I believe it may well strengthen it. I certainly think that it is desirable to give to citizens who are likely to be criminally prosecuted this opportunity to have a determination of the validity of the regulation ahead of time.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. I concur in the statement being made by the gentleman from California. In the light of that, I have no expectation of offering the amendment which we agreed upon in our committee.

Mr. VOORHIS of California. I am much obliged to the gentleman from Virginia for those remarks.

It seems to me, therefore, in conclusion, that the committee has done a very good job on this, and I hope the committee's position will be sustained by the House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. DILWEG].

The amendment was rejected.

Mr. O'HARA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA:

On page 16, line 16, after the word "may", strike out the following words: "Apply to the court in which the proceeding is pending for leave to."

After the word "violated", in line 20, page 16, strike out all the remaining language in lines 20, 21, 22, 23, 24, and that part of line 25, down to and including "203 (a)."

Mr. O'HARA. Mr. Chairman, we are dealing with perhaps the most important subject that we are asked to pass upon in the continuation of this act. I approach this subject with considerable concern, because it involves the rights of our citizens and their rights of appeal. I do not know a more difficult way to provide by any language the right to grant an appeal than is written into this

bill. Here you have the situation where the defendant or the respondent, I think defendant is what he would be called, is given 5 days in which he may, pursuant to this section, appeal. Then he applies to the court for leave to file an appeal. He does not just have a right of appeal as he would have under ordinary conditions, but he has to apply to the court for leave to file an appeal. What I am attempting to do is to give him the absolute right of appeal and not have some court question whether he has the right to have an appeal or to give him that right and not to have some court quibbling about whether the appeal is taken in good faith. I want to give him that absolute right of appeal. This is the most extraordinary language that I have seen in giving a defendant a right to appeal, and then before he has the right to appeal somebody has to pass on whether his appeal should be entertained or not. What I am trying to do is to strike out the right of the court to pass on whether he shall appeal and give him the absolute right of appeal. I hope the committee will recognize the importance of it. After all, our people are tried and convicted by the O. P. A., and for heaven's sake, it seems to me, as citizens, they should have the right to appeal to the Emergency Court, which is the only right, as I understand it, that they have under the law.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield.

Miss SUMNER of Illinois. I would like to say that I think the gentleman is right, and so far as I can see I do not see why that right should be so restricted.

Mr. O'HARA. I cannot imagine anything more difficult. They say, "You have to appeal within 5 days," and then they have to go down and apply to the court and say, "Mr. Court, I would like to appeal. I think I have substantial rights involved, but you have to pass on whether I am acting in good faith before I have the right to appeal." That is the silliest thing that can be written in the English language, involving the rights of citizens of this country.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. Suppose the appeal is not taken in good faith and a rule or regulation has already been decided to be valid and suppose that the appeal is taken frivolously and only for the purpose of delay. Would the gentleman deprive the court of the right to decide that question and would he give a frivolous appellant the same right of appeal as he would to an appellant in good faith?

Mr. O'HARA. The same right. I will say to the gentleman from Pennsylvania, if an attorney took such an appeal as that, I think he would be subject to be disbarred by the bar of his State.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. Yes; I yield to the gentleman from Michigan.

Mr. HOFFMAN. Some of these administrators take the position that all opposition to any of their orders is frivolous.

Mr. O'HARA. That is right.

Mr. HOFFMAN. You would not give a man his day in court.

Mr. WRIGHT. I would let the district court decide that, I may say to the gentleman.

Mr. HOFFMAN. The district court does not have anything to do with it.

Mr. WRIGHT. Yes; it does.

Mr. O'HARA. This is the Emergency Court of Appeals.

Mr. HOFFMAN. This is the Emergency Court of Appeals.

Mr. WRIGHT. No; it is not; you are being tried in the district court originally.

Mr. HARNESS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. HARNESS of Indiana. The order of the O. P. A. remains as it is until the court reverses it?

Mr. O'HARA. Exactly.

Mr. HARNESS of Indiana. The appeal would do nothing to interfere with price control.

Mr. O'HARA. Not a thing; it gives the court the right to review the whole matter. It does not stay the order at all.

Mr. HARNESS of Indiana. It simply gives the court the right to review the action of the O. P. A. in deciding whether or not the man was justly treated.

Mr. O'HARA. May I say to the gentleman, it gives the appellant the right to appeal. That is what I am trying to give to him.

Mr. HARNESS of Indiana. Absolutely. I am for the gentleman's amendment.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. HOFFMAN. In view of the way the Supreme Court is deciding cases over here, who would have the audacity to say that any appeal is frivolous when they say the law is one thing today and tomorrow it may be different. They say, "Come up and see what we have to say tomorrow about it." Well, they do.

Mr. WRIGHT. We are in a war.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to this amendment.

This provision of the act has absolutely nothing to do with any appeal excepting on the question of the validity of the regulation or order. Let us have that firmly fixed in our minds. It has nothing to do whatsoever with any appeal excepting on the question of the validity of regulations; and all the rights to appeal which are now vested in any respondent or defendant are preserved, with the exception of setting up new machinery for hearing the question and deciding the question of the validity of the order. If you will refer to subsection (d) of section 204 on page 11, of the Emergency Price Control Act, you will find this language:

> Except as provided in this section, no court, Federal, State, or Territorial, shall have jurisdiction or power to consider the validity of any such regulation, order, or price schedule—

And so forth. That language has taken away from the court the jurisdiction of questions having to do with the validity of a regulation or order. It takes that away only. It does not take any other right away from the defendant or any other person before the court. So the only thing we are talking about in this stage of the proceedings, for the purpose of filing complaints with the Emergency Court of Appeals, is the question of the validity of the regulation or order. Now you appeal for one or perhaps a hundred different reasons and any right which the respondent now has in any appeal on any other question other than the validity of a regulation, may be appealed. That question may be appealed to the circuit court of appeals and to the Supreme Court if it is a question which the Supreme Court will consider. The only reason why we establish this procedure in respect to questions having to do with the validity of a regulation or order is so as to prevent confusion in the administration and the enforcement of this law. If it were not for these provisions, the 85 district courts could, to exaggerate for the purpose of this statement and to make clear the point that I want to make, the 85 district courts could have the same question before them and there might be 85 different opinions on the validity of the same regulation or order. Of course, you can readily understand what that would do to the enforcement of this act. So we set up this machinery to centralize the question of the validity of the regulation or order in this one court and insofar as that one question is concerned, that is, the validity of a regulation or order, then the Emergency Court of Appeals stands in about the same position with respect to the district court as the circuit court of appeals does to the district court on all other questions.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. ROBSION of Kentucky. Speaking of the court passing on what is a reasonable and substantial excuse, am I correct in interpreting this to mean that the district court in which objection is made and from which appeal is taken to the Emergency Court of Appeals is the court which passes upon the question of the appeal? It is not the Emergency Court of Appeals that passes on whether you get to that court, but it is the district court in which your case is pending?

Mr. WOLCOTT. That is correct.

Mr. ROBSION of Kentucky. Then that court will know something about your case?

Mr. WOLCOTT. That is correct.

I might say if the district court acts arbitrarily against the weight of the evidence or whatever is necessary to make out a case for the applicant, even the question as to whether the district court shall grant a stay for this purpose is reviewable in the circuit courts of appeal and the Supreme Court.

Mr. O'HARA. It involves criminal action as well as civil matters, does it not?

Mr. WOLCOTT. Yes.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. WOLCOTT] has expired.

The question is on the amendment offered by the gentleman from Minnesota [Mr. O'HARA].

The question was taken; and on a division (demanded by Mr. O'HARA) there were—ayes 26, noes 48.

So the amendment was rejected.

Mr. COX. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. Cox: Page 16, line 22, after the period, insert a new paragraph, as follows:

"E-2. Any person aggrieved by any decision, directive, sanction, or order by any Federal agency or official, under purported authority of this act, may obtain a review of same in the circuit court of appeals of the United States for the circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within 60 days, a written petition, praying that such decision, directive sanction, or order be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon said agency or official who shall thereupon certify and file in the court a transcript of the record upon which such decision, directive, sanction or order complained of was entered. Upon the filing of such transcript, such court shall have exclusive jurisdiction to review such decision, directive, sanction, or order complained of and may hold unlawful and set aside the same insofar as it is found to be—

"(1) contrary to constitutional right, power, privilege, or immunity;

"(2) in excess of statutory authority, jurisdiction, or limitations or short of statutory right, grant, privilege, or benefit;

"(3) made or issued without full observance of all procedures required by law;

"(4) unsupported by substantial, credible, and material evidence upon the whole administrative record; or

"(5) arbitrary or capricious.

"(b) The judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 346 and 347 of title 28, as amended, of the Judicial Code.

"(c) Such decision, directive, sanction, or order shall remain in effect pending final decision in the courts: *Provided*, That no remedial or punitive measures shall be taken or instituted against any person subject to such decision, directive, sanction, or order, pending judicial review as provided herein, unless the court having jurisdiction of the case shall upon a proper showing find such measures necessary to further the prosecution of the war.'

Mr. WOLCOTT. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Georgia [Mr. COX] is recognized in support of his amendment.

Mr. COX. Mr. Chairman, we find in the debate on this bill, confirmation of the fact that ingenious men find it easy to invent specious arguments, under certain circumstances, that support that which they wish to maintain. It will be observed by every man that this amendment is no attack upon the O. P. A. It is no criticism of the committee handling the pending bill. It ought to be apparent to everyone that it is important that language substantially as contained in the amendment should be written into the law. I can think of no valid argument that might be advanced against it. The objections to amendments heretofore proposed do not apply in this instance. The adoption of this amendment would in nowise interfere with the O. P. A. in the performance of its work. It would not operate as a stay of any decision that the O. P. A. might make. It is simply an attempt to arm an aggrieved citizen with the right to appeal to courts of law.

Let me make this observation, and I am sure I am on safe ground in doing so: I cannot believe that the moral sense of this Congress can justify and/or support depriving the aggrieved citizen of the right to appeal to the courts of the land for a judicial determination of rights which he believes has been transgressed by an agent of his Government. I cannot believe that Congress can justify delegating to an administrative agent, the appointment of which it has absolutely no control, the powers to make decisions to which no appeal can be taken.

We talk much about government by men and government by law. I am opposed to government by men, and that is the kind of government you get where administration agents are given the power to set up orders and rules having the effect of law. I can think of nothing more dangerous than to arm an administrative agent of the Government with broad dictatorial power and then turn him loose upon the public to use those powers in bullying and oppressing the citizen.

Now, my colleagues, this is an opportunity for this House to put itself on record, to say whether or not in its judgment an aggrieved citizen ought to be able to appeal to some kind of court.

Mr. HARNESS of Indiana. Will the gentleman yield?

Mr. COX. I yield.

Mr. HARNESS of Indiana. I should like to make this observation: When we had the Labor Disputes Act under consideration, the conferees on that measure tried to write into the bill a similar provision giving the citizen the right to appeal from the decisions of the War Labor Board. It was denied by those gentlemen who made the same argument against the amendment which was similar to the amendment offered by the gentleman on this act.

Today our people see where we made a mistake in not giving a man the right to appeal from decisions of the War Labor Board. I believe the gentleman's amendment will serve as a deterrent against administrators going beyond the statute law. I am for it.

Mr. COX. I thank the gentleman. This is a proposition upon which all types of people in this House should be able to unite. I know it should appeal particularly to the advanced liberals, and certainly Democrats and Republicans ought to be able to agree to it.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. WOLCOTT. Mr. Chairman, I withdraw my point of order.

Mr. MORRISON of North Carolina. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from North Carolina is recognized for 5 minutes.

Mr. MORRISON of North Carolina. Mr. Chairman, the very fine philosophy of law and government expressed by the brilliant gentleman from Georgia would meet with my approval if it were applied to peace times; but we are in war and we cannot sensibly conduct war through the courts of the land. The Price Administration program is a war measure. If it were not a war measure I doubt if there is a man in this House on either side of the aisle who would support it. The whole measure, the whole program, is violative of the general principles so brilliantly championed by the gentleman from Georgia.

As to the power to take over the business of citizens, think for a minute how mild and weak it is compared with the war power taking over the boys of the United States, the manhood of the country where there is no appeal in any way to the courts for their protection. They are absolutely subject to the military law. I do get a little weary hearing the brilliant attacks made upon this war measure necessary to support the efforts of our boys who are under the flag all over the globe trying to save this orderly and law-governed country in time of peace. What is the law now? It is not the law he has in mind, it is the military law of a great free people made in the organic law of the land in order that we might conduct war triumphantly and save the day when we can stand upon the principles advocated by the brilliant gentleman from Georgia and contend truly that this is a land of law.

Why, we cry how we regulate the price of peanuts, dried fruit, and Irish potatoes, and grow indignant at the violation of the rights of the producers of these commodities while their boys are under the harsh discipline of military law in our armies and navies without any appeal to the courts. I am not afraid, I am not made nervous when gentlemen demand that we should weigh in such delicate, golden scales everything we do with commercial commodities. I believe that the conscience of the court-loving, law-supporting people of this country recognize the law to be every reasonable and necessary right of this Government to conduct this war to triumph and glory everlasting, and I hope we shall cease to be frightened by all these little metaphysical arguments about our legal rights. There are no rights violated by this price-control bill. The whole measure looks to keeping this country from fracturing to pieces in demoralization and industrial and business wreck while our boys are struggling to keep the flags of liberty and glory in the skies; and it is not law to demand that the Congress open in the administration of these war tribunals, as in time of peace, to everybody who is worried about how he is treated about his dried fruit and his pigs and his chickens. Let us do away with all this little nervousness about legal

rights, because just as soon as the flags of liberty are triumphant in the skies of this world all of this war legislation will be repealed, at the demand of Republicans and Democrats, and we shall go back to the courts that my friend wants us to avail ourselves of in his argument.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

The gentleman from Michigan [Mr. WOLCOTT] is recognized.

Mr. WOLCOTT. Mr. Chairman, it was my first thought on hearing the amendment read that it applied as well to all agencies of the Government as it did to O. P. A. I find it applies only to O. P. A. That is why I withdrew my point of order.

This review in respect of violations of price regulations and orders and price measures is a very delicate thing. We discussed this subject for days; yes, weeks. We agreed, all of us, I believe, that, consistent with the purposes of the act, having in mind that we were in a great emergency and that we should give every right to every individual protestant to have his grievances considered by a court set up by this Congress; frankly, as the gentleman from North Carolina has so well said, if this were peacetime, if the preservation of America depended upon the stabilization of our economy alone, and if there were not greater and more influential factors which we had to consider eating at the very vitals of democracy and threatening not only the stabilization of our economy but the very existence of our country, I think we could probably well go along with the amendment of my esteemed friend from Georgia. But he knows how far reaching it is, he knows what the result of possible suspension of regulations and orders having to do with price control would be, what effect they would have on the general price structure and inflation, even if the circuit court of appeals were given jurisdiction over the validity of these regulations and orders.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. COX. I am afraid the gentleman in speaking of the suspension of orders has misread the amendment. The amendment does not operate as a stay upon orders; it is simply a pretense at giving the citizen due process; that is all.

Mr. WOLCOTT. We have set up due process under the committee amendment. We have not denied any aggrieved person, any protestant, the rights that he otherwise has to have his grievances reviewed in a regularly constituted court. The only difference in the procedure set up in the committee amendment, as I said before, and the procedure now for the review of these cases in the circuit courts of appeal and the Supreme Court is that we centralize under the one head, in the one court, this question of the validity of a regulation, and it is absolutely essential that we do this if we are going to have effective price control. I would not make the exaggerated statement that if the gentleman's amendment were adopted we would by doing so have no price control, but I do say that it would likely result in a great deal of uncertainty and indecision in respect to the enforcement of rules and regulations.

Mr. COX. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Georgia.

Mr. COX. Just what uncertainty could it create? You have simply provided for a review of the finding of the O. P. A. As the gentleman said during his statement a few moments ago, it simply may operate as a restraint upon the administrative agency to go further than is permitted under the statute.

Mr. WOLCOTT. No. The restraint is here in the committee amendment. I do not think we should restrain them any more than we have restrained them under this bill in respect to enforcement and review. I may say to the gentleman, questions concerning the validity of a regulation might be pending in all of the circuit courts of appeal at the same time, and that is why I say his amendment in effect might lead to indecision and perhaps chaos.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not think anybody is more attached to the principles enunciated in the Constitution than I am, but the effect of this amendment would be to tear down all the machinery of price administration that is now in effect. It would substitute for the Emergency Court of Appeals the 11 appellate courts of the United States. It would bring about confusion worse confounded. There is no uniformity of decision in the appellate courts. One appellate court may decide the same question differently from the other appellate courts. It is essential certainly for the effective administration of this law to have uniformity of decision.

Mr. COX. Will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Georgia.

Mr. COX. I am afraid the gentleman has likewise misread the amendment because it provides for review by the Supreme Court.

Mr. SPENCE. It provides for review and certiorari may be granted by the Supreme Court to the circuit court of appeals, but the decision of the circuit court of appeals, unless taken to the Supreme Court of the United States, is final and it may be the war will be over before you have any decision of the Supreme Court.

Mr. COX. I wonder if the gentleman belongs to that group who have lost faith in our courts?

Mr. SPENCE. I have not. I have not lost faith in the courts or the Constitution, and I believe that every principle in the Constitution should be maintained in normal times, but we are not fighting today for individual rights. We are fighting for the preservation of the Constitution itself and that is the reason I think that men should forego some of the rights they have had in peacetimes in order that these sacred rights may be preserved in future years. An appeal lies from any direction, sanction, or order. I cannot conceive of any amendment that would cause more confusion or that would be more destructive of the machinery we have erected to control prices in the United States than to permit an appellant the right of appeal to the circuit courts of appeals of the United States and to the Supreme Court. If you agree to this amendment you have scrapped all the work the committee has done and you have substituted a method that the committee never considered.

Mr. FOLGER. Will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from North Carolina.

Mr. FOLGER. The Emergency Court of Appeals is a court duly authorized and established by the Congress?

Mr. SPENCE. Yes; and consists of judges who have served as circuit judges of the United States and district judges of the United States. The present Emergency Court of Appeals consists of two circuit judges of the United States and a district judge of the United States, appointed by whom? Appointed by the Chief Justice of the United States. They are appointed by Chief Justice Stone. If you want uniformity of decision, if you want this Price Control Act to be administered in a regular, orderly, systematic way, I cannot conceive how you could throw it into the circuit courts of appeal with their differing decisions. The result would be nothing but chaos and destructive of the very purpose we are trying to effectuate here.

Mr. WRIGHT. Will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I just wish to remind the committee that the Banking and Currency Committee has provided judicial review in the present bill far beyond the judicial review that was provided in prior bills.

Mr. SPENCE. Yes; and we have made it more effective and more easily to obtain than it has ever been before.

Mr. Chairman, I am not going to indulge in heroics, but the sun never rests upon the battle lines of the United States and it is as essential that we preserve price control here as it is that we win our victories abroad. Therefore I hope nothing will be done to destroy this machinery that has been most effective up to now.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Georgia [Mr. COX].

The question was taken; and on a division (demanded by Mr. COX) there were—ayes 59, noes 89.

So the amendment was rejected.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment by Mr. DIRKSEN: Page 16, after line 7, insert the following:

"SEC. 6. (a) The first sentence of section 204 (a) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows: 'Any person who is aggrieved by the denial or partial denial of his protest may, within 30 days after such denial, file a complaint with the Emergency Court of Appeals,

created pursuant to subsection (c), or with the appropriate district court, specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part.'

"(b) The fourth sentence of section 204 (c) of such act, as amended, is amended to read as follows: "The court shall have the powers of a district court with respect to the jurisdiction conferred on it by this act.

"(c) The first two sentences of section 204 (d) of such act, as amended, are amended to read as follows: 'Within 30 days after entry of a judgment or order, interlocutory or final, by the district court provided for in subsection (a) or the Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a circuit court of appeals as provided in section 240 of the Judicial Code, as amended (U. S. C., 1940 ed., title 28, sec. 347). The Supreme Court shall advance on the docket and expedite the disposition of all causes filed therein pursuant to this subsection. The district court provided for in subsection (a), the Emergency Court of Appeals, the appropriate circuit court of appeals upon review of judgments and orders such district court, and the Supreme Court upon review of judgments and orders of the Emergency Court of Appeals and of such district court or circuit court of appeals, shall have exclusive jurisdiction to determine the validity of any regulation or order issued under section 2, of any price schedule effective in accordance with the provisions of section 206, and of any provision of any such regulation, order, or price schedule."

Mr. DIRKSEN. Mr. Chairman, next Thursday will be the 15th day of June 1944, and it will mark the seven hundred and twenty-ninth anniversary of Magna Carta. It will be 729 years ago that the barons gathered in that meadow along the Thames River in London and there, in the space of a single day, they made a foul king sign a statement consisting of 63 demands, 1 of which was that the king had outraged his people by carrying the court with him and making justice inaccessible.

There has been much history since then. There has been much sweat and tears and agony. There has been many a sacrifice in that 729 years to roll back the abuses of authority and preserve for people their devotion to a tribunal where justice against government can be found.

Today we are going to do something more than pass upon the question of the enforcement of a price-control bill. We are going to determine today a larger issue—namely, whether in achieving an economic objective, such as price control, we shall throw the court system of this country overboard. The whole issue here, in my judgment, based upon our national experience since this act was established in 1942, is to carry out the intent and purpose of the due-process clause in time of war and in time of peace, and to give the citizen a chance to stand before a man whom we call a judge and have him say, "Your Honor, can my Government impose an order, regulation, or schedule that will capriciously and arbitrarily and summarily put me out of business without due process of law?" The question here is whether or not there shall be a review of the validity of these orders, regulations, and schedules in the district courts of the United States. I have enough faith in the district courts of the land to fairly dispose the issues that may flow out of price-control functions.

May I say to the Members over on the majority side that the President has appointed 296 judges, of all levels, since he has been in office. There are only 318 Federal judges in all the Federal courts, from the chief tribunal on down. I shall not here and now confess a lack of faith in those who sit and preside over the district courts of the country, nor in their competence to pass upon the validity of orders, regulations, and schedules, if they put the citizen out of business. That is the issue that is before us today. That is the issue that comes resounding from the people everywhere I have been. When in many sections of the Nation, I read to them the language of section 204 (d) that "except as provided in this section no court, Federal, State, or Territorial, shall have jurisdiction or power to consider the validity of any such regulation, order, or price schedule, or to stay, restrain, enjoin, or set aside, in whole or in part, any provision of this act," they would not believe it. I have sent hundreds of copies of the price-control law out of my office with that provision underscored to indicate that all this power was now reposed in an Emergency Court of Appeals. We have divested our court system of jurisdiction. We have taken away power.

Let me submit to the distinguished gentleman who made such an eloquent speech: Must we, in time of war or in time of peace, throw justice overboard, make it a one-way street and deprive the humble citizen of the right to have his equity determined in an accessible court?

HOW THE LAW STANDS TODAY

How does the law stand today?

In a brief way, it provides that an aggrieved person whose protest or complaint has been denied by the Administrator can within 30 days after a denial of his protest, file a complaint with the special Emergency Court of Appeals.

The protestant must prove to the court's satisfaction that an order, regulation, or schedule is at variance with the law or that it is arbitrary or capricious.

If the Emergency Court enters a judgment on this complaint, that judgment does not become effective for 30 days.

That Emergency Court of Appeals cannot issue a temporary restraining order with respect to orders, regulations, and schedules.

It is up to the citizen, at time and expense, to endure inconvenience and sacrifice to get into the only single court which we have approved in the act of 1942.

Is that genuine due process? A court is of little value to the humble citizen of this land unless it is accessible.

And it is the only court.

As stated above, section 204 (d) of the present law provides that except for the Emergency Court—

No court, Federal, State, or Territorial, shall have jurisdiction or power to consider the validity of any regulation, order, or schedule.

Truly we have come far since the days of Magna Carta.

WHAT THE COMMITTEE PROPOSES

The Banking and Currency Committee has made no change in all this.

It has proposed a new subsection which deals with cases involving violations.

But must a citizen first violate the law before he can have an adequate review in an accessible court of an order, regulation, or schedule which imposes unnecessary hardship or unwarranted burdens not dictated by the needs of the times?

WHAT THE AMENDMENT DOES

The amendment which I have offered proposes to cure this condition.

It is simple, direct, and all-inclusive.

It preserves the same pattern of procedure now carried in existing law.

It gives the Federal district courts of the land the same jurisdiction as now enjoyed by the Emergency Court.

It affords power to the district courts to issue temporary injunctions or restraining orders.

District courts will be clothed with power to pass upon the validity of orders, regulations, and price schedules.

It revests in our Federal courts the jurisdiction which we took from them in the act of 1942.

The citizen has his choice of going before an accessible district court or the Emergency Court of Appeals.

An appeal may be taken to the Supreme Court in the same manner as is now the case with an appeal from the circuit courts of appeal.

It reestablishes the dignity of our court system.

THE OBJECTIONS THAT MAY BE RAISED

It may be said that review by district courts will destroy price control. How can it when there is such unanimity for a continuation of price control.

It may be said that there will be confusion as a result of divergent decisions in different jurisdictions respecting such orders, regulations, and schedules.

Let this answer be given. On June 1, 1944, the Judiciary Committee of this House reported Senate 1718 with amendments, a bill to provide settlement of claims arising from terminated war contracts and for other purposes.

There will be thousands of such cases. Not only will they involve vast sums, but in fact, the very economy of the nation.

Did the Judiciary Committee, composed of the fine legal minds in this House, undertake to create an emergency court which should be the only judicial hope of thousands of war contractors?

Did they despairingly view the future and talk of chaos and confusion and administrative difficulty if the courts were made accessible to the people?

They did not.

In section 13 (b) of that bill, they provide that a war contractor who is aggrieved by the findings of a contracting agency of the Government may bring suit in the Court of Claims, or appeal to the appeal board or in a district court of the United States.

Would you make justice accessible to a war contractor and not to the humble merchant, businessman or citizen?

It may be said that the right of a district court to issue a temporary order with respect to such orders, regulations and schedules will destroy the act. Will it?

Temporary orders and decrees are not so lightly issued.

There must be a showing of danger, or jeopardy, or irreparable damage before such an order would be issued. And if such a showing is made by a complainant, then a temporary order should be issued.

It may be said that it will hamstring O. P. A. Will it? If an aggrieved person takes his case into a district court, he must make the same showing there that he would in the Emergency Court. That part of existing law is untouched. It still remains for the complainant to show that an order, regulation, or schedule is not in accord with the law or that it is arbitrary or capricious.

Is it to be inferred that the judges in our Federal district courts are not as competent to pass upon these matters as the judges appointed to the Emergency Court?

Is it to be inferred that persons aggrieved by matters of little consequence will lightly rush into the Federal district court when they know that they must make a real case and that failure so to do means trouble and expense for them?

SOME BASIC ISSUES

For 6,000 years, the history of mankind shows man's struggle against abuses by the sovereign power. How he fought and bled for a system of tribunals where he might receive a chance for his case to be heard by an impartial judge!

Do you propose now as we did in 1942, to go backward and impair the authority of the courts?

Will it be contended now that to win the war and hold the line, it is necessary to deprive the people of these safeguards to civil liberty?

It is far better to endure some abuses than to foreclose this right of our citizens.

Not the least of the components of victory is morale and I know of no better way to serve morale than to provide our people with the assurance that in wartime as in peacetime, they can have their day in court.

The country is poised for a bond drive. Sixteen billion dollars is the goal. What kind of bonds. Bonds for victory! Bonds for freedom. Bonds to provide funds for young men who fight for the American way. Do we now propose to foreclose a portion of the American way by continuing the present restriction upon the people's access to the courts? Do we propose to confess now that we cannot have price control without impairing the jurisdiction of a court system that has served us in wartime and peacetime for more than 150 years? What a singular confession that would be and where are the defenders of the American way?

Mr. MONRONEY. Mr. Chairman, I move to strike out the last word and ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? There was no objection.

Mr. MONRONEY. Mr. Chairman, this undoubtedly is the most important amendment that could possibly be offered to the judicial section of this bill. I think it probably comes as a result of a lack of understanding, not on the part of the author, but on the part of the public of what constitutes the Emergency Court of Appeals.

If I were to ask my people back home about 99.44 percent of the people would say, "Well, it is one of those 'kangaroo courts,' or it is a New Deal court, or it is something they just picked out of thin air and sat down up there."

I quite agree with my distinguished colleague, the gentleman from Illinois, that we all want to preserve our judicial system. The Emergency Court of Appeals is a Federal court. No one can sit on this Emergency Court of Appeals who is not a Federal judge. He is appointed for life, and he is assigned to this Emergency Court of Appeals by the Chief Justice of the United States. It is a specialized court, that is true, because there are myriads of questions involved, as this House surely knows by this time—vast ramifications and interpretations and difficulties in enforcing price control orders and things of that kind which must have some kind of specialized treatment.

The Chief Justice of this Emergency Court of Appeals, a veteran Federal judge, appeared before this committee. He told us that this was not a star chamber court, a court that sat only in Washington; but they were ready and willing and anxious to travel all over the United States and hear cases with much greater rapidity than the average Federal court of the land.

Now, we have opened up as wide as human mind can open the section for judicial corrections of complaints that have come in. There was a complaint against the 60-day uncontestable order that used to run, and we have opened that up so that it can be contested at any time. You can get into the Emergency Court of Appeals, which in effect is a specialized Federal court, at any time through channels provided herein.

I do not believe business and I do not believe the people in general want to have about 300 different interpretations on a price order, yet everybody knows that one Federal district judge could rule, for instance, that the price ceiling on corn was not correct at $1.07 and that it should be $1.12. Imagine what effect that would have in this nation, with its interlocked economy. You would not have any more price ceilings on corn at $1.07 and you would not have any at $1.12, because speculation would take effect.

Take many, many other prices, perhaps ruled invalid by one court. Business would be uncertain while waiting for the long, tortuous process to go through the regular courts of appeals, from the circuit courts to the Supreme Court. There would not be one single businessman who could buy his stock of merchandise with any degree of certainty whatsoever that the price he was buying to sell it at would be valid or invalid. He would have the interpretation of 1 Federal judge holding one thing and he might have 20 or 30 or 40 other courts holding a different thing.

So enact this amendment and take away a uniform jurisdiction such as the Emergency Court of Appeals now has. Take this away and you will have economic chaos in this country as far as business knowing what its prices will be or what the legitimate ceiling on the goods it has to sell will be. This uncertainty is dangerous to business.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Is not the result of the decisions of this court that we have a final decision right in the court of first instance instead of waiting until the Supreme Court passes on the question?

Mr. MONRONEY. The gentleman is exactly right, except that the Supreme Court can pass on the question after the Emergency Court of Appeals has ruled.

This amendment is even more far-reaching than the proposed bill of the Smith committee, which allows a person to go into a district court and try his case and then appeal to the Emergency Court of Appeals, which at least would give you some unified holding. Under their amendment the district court decision would be suspended until heard by the Emergency Court of Appeals.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Kentucky.

Mr. SPENCE. Under this amendment as I understand it, when the jurisdiction of the district court attaches it is exclusive. There are 85 district courts in the United States and 11 circuit courts of appeal, the decisions of each one of which might be different from the others.

Mr. MONRONEY. That is true. You would have economic chaos, without knowing what a ceiling was unless you knew what court it was being held in.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Michigan.

Mr. DONDERO. Can the gentleman inform the House whether or not the judge who appeared before your committee gave any record of the number of decisions in favor of the protestants and those rendered for the Government?

Mr. MONRONEY. It is in the first book of the hearings. I do not have it with me. Judge Maris testified and was very frank. He showed great understanding of this problem. He at least convinced our committee that they were handling these matters in a strictly impartial judicial way and getting action, which is the cornerstone of a legal test.

Mr. DONDERO. Can the gentleman give the number to the House?

Mr. MONRONEY. I cannot give the number out of my head. It is in the hearings.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. HAYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, while the gentleman from Wisconsin [Mr. DILWEG] is looking for the testimony of Judge Maris giving exactly the figures on the number of cases, may I say to the gentleman from Michigan in response to his question that Judge Maris was asked specifically about that. An interesting thing is that the impartial character of the court is shown not so much by the number of cases decided either in favor of the O. P. A. or the petitioner as by the number of cases that were dismissed on the motion of the petitioner himself, indicating that the parties had reached an agreement. The judge emphasized that factor in response to a question asked by a member of the committee.

The gentleman from Wisconsin has found the figures, and I am glad to give them to the gentleman from Michigan. There were 141 complaints filed up to May 5, 1944. Ninety-nine of those were in price-control cases, and 42 in rent-control cases. Deducting additional complaints in consolidated cases, 19, less the total number of cases, the consolidated cases being counted as 1, left 122. Then there were deducted the cases dismissed, by agreement 42, which is the type of case to which I have referred, for failure to prosecute, 1, and on motion of Price Administrator before filing of answer, 9. Then there were the cases in which additional evidence had been ordered but supplemental transcript had not been filed, 9, and cases which were not ready for hearing because all pleadings or briefs had not yet been filed, 22. This left cases heard on their merits, 39, cases heard but not yet decided, 5, and cases heard and decided on their merits, 34.

I recall one figure that was given. The statement had been made that only two cases had been decided for petitioners. Judge Maris said that seven had been so decided after a full hearing of those cases.

The significant figure, I think, is that so many of these cases were dismissed on motion of the petitioner, and that was after discussions between the attorneys and the O. P. A.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Michigan.

Mr. DONDERO. How many cases were decided in favor of the Government? There were seven cases in favor of the petitioners.

Mr. HAYS. As I recall, there were some 20 or more of them. I would be very glad if the gentleman from Wisconsin, who is going through the hearings, would get that figure for me. Yes, 27 of them.

Mr. FOLGER. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from North Carolina.

Mr. FOLGER. Is there any possibility or suggestion that this court, appointed by Chief Justice Stone, is any part of the Office of Price Administration or inclined to partiality toward them or against any citizen?

Mr. HAYS. There was no proof of that before our committee. It certainly occurs to me that the evidence was all to the contrary. I am sure the committee was very greatly impressed by the judicial point of view which Judge Maris himself exhibited.

Mr. FOLGER. Is it the gentleman's opinion that this amendment if adopted would substantially disrupt and disorganize the whole procedure this committee has worked out?

Mr. HAYS. It is.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Arizona.

Mr. MURDOCK. I have heard the term "kangaroo court" used here several times in discussions on this bill. Not being a lawyer and not knowing many lawyers in O. P. A., I am wondering about that. What is the gentleman's opinion concerning the men who make up this special court, the Emergency Court of Appeals, and also of the attorneys generally who represent the Federal Government in O. P. A. throughout the country?

Mr. HAYS. The term "kangaroo court" was never applied to the Emergency Court of Appeals. Its procedure was never characterized in that way by any witness before our committee, if I recall the testimony correctly. Those were references to certain enforcement committees appointed by O. P. A.

Mr. MURDOCK. Yes; I understand that. I am really asking two questions. What does the gentleman think of the lawyers and legal procedure of O. P. A.? What is the gentleman's opinion as to the men who make up this Emergency Court of Appeals? Are they generally high class?

Mr. HAYS. Personally, I have the highest respect for the members of the Emergency Court of Appeals, and that is based partly on the testimony before our committee. As to the O. P. A. lawyers, I must advise the gentleman that the Legal Division was broken up by Mr. Bowles and its members transferred to administrative divisions. My impression of the lawyers from O. P. A. who appeared before the committee was a favorable one.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

The Chair feels it would be only fair to call attention to the fact that only 15 minutes of debate remain on this whole section, and there are four other amendments to this section on the Clerk's desk.

Mr. GIFFORD. Mr. Chairman, I move to strike out the last word.

I wish to reflect, if I can, the views of many Members who find their people have been so oppressed by O. P. A. regulations that they are anxious to give them their proper day in court.

As to the Emergency Court of Appeals, I agree that the Emergency Court would seemingly be set up largely for the benefit of the O. P. A. in support of its rules and regulations. Some speakers offer the defense that comparatively few protests have been filed, but I believe in this land of ours many people would like to make a protest, but would not think of doing it if they had to appeal to that court. I wonder if those cases cited came from large businesses which might afford to employ able attorneys and which could bear the expense. I do feel that I want to assist the little businessman in bringing his defense in the local court. "Hold the line"—that order went out and as a result prices were frozen and little attention could be given to increases in cost of production. Thousands of our citizens suffered from that order.

It is not to be wondered at that so many amendments have been offered. Although we desire proper price control, we want to protect our people as best we can. But in the matter of judicial review, why argue that it will ruin the price structure? Price control, yes; but why try to dictate prices on all commodities? I sympathized yesterday with the suggestion as to a limitation of 61 items. We should not attempt to take over too much. It cannot be done successfully. I know what many Members are trying to do. They are attempting to protect their people. It is difficult to understand all these amendments that are being offered. No one wishes to wreck price control. But we do want our people protected from severe punishment for innocent violation.

Mr. MORRISON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. MORRISON of North Carolina. Does the gentleman mean to reflect upon a court selected by Judge Stone from the district court and circuit courts of appeals of the Nation, and charge that that court, which was selected from such a personnel, was created in order to become a corrupt tool of the O. P. A.?

Mr. GIFFORD. I do not reflect at all upon the court. But I have thought that the emergency was written into the act so that it would be rather a defense for the O. P. A. I do not belittle the members of the court by any means.

Mr. MORRISON of North Carolina. That is what you charge.

Mr. GIFFORD. No; I will say that I think all the members of the court are saints, if it will reassure the gentleman. I make no reflection on the personalities of the court. Not by any means.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BUSBEY. Mr. Chairman, I move to strike out the last two words, but I will not use the 5 minutes.

The CHAIRMAN. That is what the gentleman from Massachusetts [Mr. GIFFORD] said, but he used the 5 minutes. The Chair will state there are four more amendments at the Clerk's desk to this section and only 10 minutes remaining. If all the time is going to be taken on one amendment, then the gentlemen offering other amendments will not be able to be heard at all on their amendments.

For what purpose does the gentleman from Texas [Mr. RUSSELL] rise?

Mr. RUSSELL. Mr. Chairman, I stood up when the first 12 Members stood up for time when the Committee limited the time. We did not have an opportunity

to speak in the general debate on the bill and did not get the chance to speak, and now they have come in and taken most of this time and we are deprived of the privilege of speaking on a matter on which we think our constituents are entitled to have our view recorded.

The CHAIRMAN. There are only two ways in which the time can be limited in the Committee of the Whole. One is by unanimous consent; and everybody certainly has the right to object if they want to object. The only other way is by majority vote of the Committee; and when the majority votes to close debate, certainly that is fair.

The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division demanded by Mr. SPENCE) there were—ayes 87, noes 91.

Mr. DIRKSEN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed Mr. MONRONEY and Mr. DIRKSEN to act as tellers.

The committee again divided; and the tellers reported there were—ayes 127, noes 115.

So the amendment was agreed to.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment which is at the desk. In fact there are two of them. Inasmuch as the time is limited I ask unanimous consent that the amendments may be printed in the RECORD and that the reading of them be waived and a vote be taken without debate.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

The CHAIRMAN. Does the gentleman desire the amendments considered en bloc?

Mr. HOFFMAN. I do, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman that the amendments be considered en bloc?

There was no objection.

Mr. OUTLAND. May I ask how many amendments the gentleman is asking to have voted on at once?

Mr. HOFFMAN. There are just two of them.

The amendments are as follows:

Amendment offered by Mr. HOFFMAN: Pages 16 and 17, beginning with line 8, strike out section 6, down to and including line 10 on page 17, and insert the following:

"REVIEW

"SEC. 204. (a) Any person who is aggrieved by the denial or partial denial of his protest may, within 30 days after such denial, file a complaint with the Emergency Court of Appeals, created pursuant to subsection (c) or in the United States district court for the district in which the protestant resides or conducts his business or in the United States District Court for the District of Columbia, specifying his objections and praying that the regulation, order, or price schedule protested be enjoined or set aside in whole or in part. A copy of such complaint shall forthwith be served on the Administrator, who shall certify and file with such court a transcript of such portions of the proceedings in connection with the protest as are material under the complaint. Such transcript shall include a statement setting forth, so far as practicable, the economic data and other facts of which the Administrator has taken official notice. Upon the filing of such complaint the court shall have jurisdiction to set aside such regulation, order, or price schedule, in whole or in part, to dismiss the complaint, or to remand the proceeding: *Provided*, That the regulation, order, or price schedule may be modified or rescinded by the Administrator at any time notwithstanding the pendency of such complaint. No objection to such regulation, order, or price schedule, and no evidence in support of any objection thereto, shall be considered by the court, unless such objection shall have been set forth by the complainant in the protest or such evidence shall be contained in the transcript. If application is made to the court by either party for leave to introduce additional evidence which was either offered to the Administrator and not admitted, or which could not reasonably have been offered to the Administrator or included by the Administrator in such proceedings, and the court determines that such evidence should be admitted, the court shall order the evidence to be presented to the Administrator. The Administrator shall promptly receive the same, and such other evidence as he deems necessary or proper, and thereupon he shall certify and file with the court a transcript thereof and any modification made in the regulation, order, or price schedule as a result thereof except that on request by the Administrator, any such evidence shall be presented directly to the court."

Amendment offered by Mr. HOFFMAN: Pages 17 and 18, beginning with and including line 11 on page 17, strike out down to and including line 22 on page 18 and insert:

"(b) No such regulation, order, or price schedule shall be enjoined or set aside, in whole or in part, unless the complainant establishes to the satisfaction of the court that the regulation, order, or price schedule is not in accordance with the law, or is arbitrary or capricious. In the event that the person aggrieved by the denial or partial denial of his protest elects to file a complaint in a district court, then the effectiveness of a judgment of the court enjoining or setting aside, in whole or in part, any such regulation, order, or price schedule shall be postponed until the expiration of 30 days from the entry thereof, except that if the judgment is appealed within such 30 days to the Emergency Court of Appeals, the effectiveness of such judgment shall be postponed until an order of the Emergency Court of Appeals disposing of the appeal becomes final, and no judgment of the Emergency Court of Appeals rendered in a suit under this section or under section 305 enjoining or setting aside in whole or in part any regulation, order, or price schedule shall become final or effective until the expiration of 30 days from its entry except that if a petition for a writ of certiorari is filed with the Supreme Court under subsection (d) within such 30 days, the effectiveness of such judgment shall be postponed until an order of the Supreme Court denying such petition becomes final, or until other final disposition of the case by the Supreme Court."

The CHAIRMAN. The question is on the amendments offered by the gentleman from Michigan.

The amendments were rejected.

The CHAIRMAN. Are there any further amendments to section 6? The Chair understood the gentleman from Wisconsin [Mr. DILWEG] desired to offer an amendment at this point.

Mr. DILWEG. I withdraw it, Mr. Chairman.

Mr. OUTLAND. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. OUTLAND. I do not intend to take the 5 minutes. I simply want to make a brief statement.

Yesterday the ranking minority Member on the Committee on Banking and Currency, the gentleman from Michigan [Mr. WOLCOTT] made what seemed to me to be a very eloquent and very much of an American appeal to this House not to do things which would wreck the entire price-control structure. By the amendment we have just agreed to in committee it is my opinion that we have taken a very big step in doing just that. If we want to do anything to make price control unworkable, the amendment which we have just adopted is going to go a long way toward that objective.

I hope that when we go back into the House we will consider very carefully what we have just done and all of its possible consequences.

The Banking and Currency Committee considered carefully the many amendments relating to court procedure, and brought forth a bill designed to throw adequate safeguards around the individual without at the same time breaking the price-control line. I am certain that my friend the gentleman from Illinois [Mr. DIRKSEN] did not intend this amendment to be a crippling one in any sense of the word, and yet that is exactly what it is. The only way to hold the line, ladies and gentlemen of the House, is to hold it. This amendment, coupled with others that have already been accepted in the Committee of the Whole, will make price administration completely unworkable in this country. I for one intend to do everything possible to defeat these amendments when we have the opportunity for a roll call vote; I want to stand up, and be counted as among those who refuse to bend to special interest groups but rather place first of all the interests of our Nation.

Mr. RUSSELL. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, one of the greatest things to the American people is the inscription on the front of the United States Supreme Court Building, which inscription reads, "Equal justice under the law."

In the beginning of our Government we created three separate branches of government. One of those branches was the judiciary, to interpret and pass on the laws made by the legislative branch. If I believed, as some of the Members believe who have spoken this morning, in the injustice rendered by such courts as established by the Congress, if I believed that those courts would not hold justice under the law, as some of you have indicated, I think the Congress is derelict in its duty in not destroying every one of them which they can destroy by legislative action, and on the other hand ask for a constitutional amendment to destroy the rest of them.

I believe in the courts of the land. I believe in every judge who is on the bench. Although there are some 70 districts scattered all over the country, I believe when a question of this kind

comes before them they will hand out justice under the law. I am going to assume that until the contrary appears. That is a presumption of law.

When the courts pass upon a law which has been enacted by the Congress they must take into consideration, according to the procedure established for the courts, the intent of the Congress in so enacting the law. So if this body is not afraid of the law which they are passing today, then why are you afraid of the judges that have been established by this Congress and by the executive branches of the Government? It is not everyone who has a monopoly on patriotism. We are all for the war. That is the main theme. We are all suffering. I am at a low ebb today. Since I have been sitting here I received a telegram from my sister informing me about one of the finest boys I ever knew, a son of my best friend, who came to Washington with me. The boy is missing in action. And another little red-headed boy who lived across the alley from my home, missing in action. Beside, I have lost relatives in this conflict, I stand foursquare for everything to win the war. But to say you cannot get justice under the law from the judicial branch, I cannot go along with that. I believe in that American traditional ideal that a man shall have his day in court, and that he will get a fair deal there, and the Government will get as fair a deal as they will from a special court that they propose to set up. According to the gentleman from Arkansas [Mr. HAYS] a judge of that special court was before the committee lobbying for this bill. I am sure you did not find any district judges or circuit court of appeal judges there lobbying for the bill.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. RUSSELL. I yield.

Mr. MAY. I was very much impressed by the gentleman's statement with respect to the inscription on the front of the Supreme Court. Does not the gentleman recall that when this bill was originally passed and the question came up as to what should be the tribunal to which an appeal could be taken it was argued that we ought to take it out of politics by putting it in the power of the Chief Justice of the Supreme Court to make the appointment of the judges rather than the President and remove all politics from it? Does not the gentleman believe that was a good provision?

Mr. RUSSELL. No; I cannot agree to that. I would rather risk the regularly sworn and I might say ordained judges who are honor bound, who are oath bound, to render justice under the law, that law which is defined as a rule of action commanding what is right and prohibiting what is wrong, according to the procedure set out. One of those things that we want to do is to see that there is no wrong committed without a remedy for it. Yes; I am for the American ideal that every American citizen shall have his day in court.

The CHAIRMAN. The time of the gentleman from Texas has expired; all time has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: Page 18, after line 22, insert:

"SEC. 7. Effective with respect to proceedings instituted after June 30, 1944, section 205 (c) of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"'(c) Except as provided in subsection (f), the courts of the several States and Territories shall have jurisdiction of criminal proceedings for violations of section 4 of this act, to the extent, in the case of any such court, that such court would have jurisdiction if such violation constituted an offense against the State or Territory, and also have jurisdiction of all other proceedings under this section. In any case in which under the laws of a State or Territory, there is no court of such State or Territory which can exercise the jurisdiction of criminal proceedings or other proceedings, as the case may be, conferred by this section, then the appropriate district courts of the United States shall have jurisdiction of such criminal proceedings or such other proceedings, as the case may be. Except as provided in this subsection and in subsection (f) the district courts of the United States shall not have jurisdiction of any proceeding under this act instituted after June 30, 1944. No right, benefit, or privilege the granting of which is under the control of the Administrator pursuant to this act, or otherwise, shall be denied, suspended, or revoked by reason of a violation of any law or regulation, unless such person has been convicted of such violation, or has been found to have violated such law or regulation in some other court proceeding to which such person is a party.'"

Renumber the remaining sections of the bill accordingly.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the purpose of this amendment is to give local State courts jurisdiction over criminal proceedings provided for as a violation of law in this act. Where the State courts cannot assume jurisdiction it takes the criminal cases into the Federal district courts. My purpose in offering this amendment is to give local people an opportunity to have their criminal cases tried in local State courts.

I have had some experience in our State with the kangaroo court system which has been in operation; in fact, scores of small creameries in the State of Minnesota were taken into the kangaroo courts and assessed penalties and threatened with additional proceedings unless they paid the damages assessed by this so-called O. P. A. kangaroo court.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. WOLCOTT. The gentleman means that the Office of Price Administration through their agencies threatened criminal proceedings against people if they did not pay a sum of money.

Mr. AUGUST H. ANDRESEN. That is correct.

Mr. WOLCOTT. Does the gentleman know that if that is the case any person against whom such threat is made can file a complaint with the district attorney of any district that the officer of O. P. A. is guilty of compounding a felony and extortion?

Mr. AUGUST H. ANDRESEN. When I faced the O. P. A. kangaroo court official with this accusation he denied it, but in talking to this little creamery operator whom I have every reason to believe told me the truth, he said "he was told that unless he paid the penalty which the kangaroo court had assessed against him he would be haled into district court under criminal proceedings."

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. GWYNNE. Is it not true that for years this procedure has been going on where they tell you if you do not do something in a civil court you will be prosecuted in a criminal court? And is it not true that the Department of Justice has put the stamp of approval on it?

Mr. AUGUST H. ANDRESEN. That is undoubtedly correct. In these so-called kangaroo proceedings to which I refer, the enforcement officer in our area for the O. P. A. stated that they certified these settlements of penalties to the district court for approval.

It seems to me that when there are petty and unintentional violations of O. P. A. regulations these local people should have an opportunity to go into their local courts rather than to be compelled to come to Washington or even to go into the Federal courts in the respective district. They are surely entitled to this remedy and the only remedy they can get and avoid a lot of unnecessary expense—and they cannot afford to spend a lot of money—is to have this chance to go into their local State courts in order to get justice.

Mr. COOLEY. Mr. Chairman, will the gentleman yield

Mr. AUGUST H. ANDRESEN. I yield.

Mr. COOLEY. Is the gentleman's amendment applicable only to criminal cases, or does it apply equally to civil and criminal cases

Mr. AUGUST H. ANDRESEN. I think my amendment is broad enough to cover rationing penalties but it was designed to deal with criminal cases.

Mr. COOLEY. Is there any reason why the gentlemans amendment should not cover both civil and criminal cases?

Mr. AUGUST H. ANDRESEN. No; there is no reason, but I am referring particularly to the criminal cases where they have criminal prosecution because of unintentional violations of price ceilings.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. AUGUST H. ANDRESEN. I yield gladly.

Mr. DONDERO. Can a person be tried in a local State court under a Federal statute?

Mr. AUGUST H. ANDRESEN. There are a great many States wherein that can be done.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. O'HARA. The gentleman is trying to maintain the right of the citizen to a trial in the courts on a criminal prosecution; is not that the gentleman's purpose?

Mr. AUGUST H. ANDRESEN. That is correct, a trial in his local courts.

I urge the adoption of this amendment in all fairness to bring justice to the people.

Mr. WRIGHT. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 5 minutes.

Mr. WRIGHT. Mr. Chairman—

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield

Mr HAYS. I take this moment solely for the purpose of answering the statement of my good friend the gentleman from Texas [Mr. RUSSELL] to the effect that Judge Maris was here lobbying for the bill. I believe that the gentleman did not intend to convey the impression that Judge Maris was acting improperly. Judge Maris was certainly not lobbying for the bill in his statements to our committee. He came in response to a request from the chairman of our committee. He spoke with a most judicial attitude and stated at the conclusion of his testimony that he was making no recommendations, he was simply prepared to accept whatever legislative instructions might be embodied in the law for his court.

Mr. SPENCE. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Kentucky.

Mr. SPENCE. May I say that I invited Judge Maris to appear before the committee and he impressed us with his judicial manner and attitude. He is an excellent judge as his actions as a judge have indicated.

Mr. WRIGHT. I thank the gentleman.

Mr. Chairman, with reference to the particular amendment pending, may I say that it was not submitted to the committee for its consideration. We already have two separate judicial procedures, one set up by the committee and the other by the Dirksen amendment just passed. I personally have not been able to reconcile both of them in my mind yet to find out what the bill would really mean and now we have a third provision introduced which has rather complex, far-reaching implications. I do not think anybody in the committee at the present time will quite understand the amendment without studying it. I repeat, the amendment sets up a judicial procedure which is new and which was not submitted to the Committee on Banking and Currency. It is extremely dangerous if we attempt in the Committee of the Whole today to legislate on a complete new judicial procedure, a delicate and involved matter which can only be resolved after hearings and consideration by the legislative committee which has the bill in charge.

Miss SUMNER of Illinois. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. It would help remove some doubt about these amendments if we had the opportunity to read them. Often we have to go to the desk. We never hear them until the Clerk reads the amendments. We cannot legislate wishful thinking around here or else we are apt to find we have a bill we do not want.

Mr. WRIGHT. I agree with the gentlewoman from Illinois. I am not going to vote for all these amendments in the hope some of them may turn out to be good, and in the meantime vote for a lot of amendments which might possibly be bad and wreck the procedure and enforcement of O. P. A.

Mr. WOLCOTT. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Michigan.

Mr. WOLCOTT. I do not know whether the Committee understands what it has done by the Dirksen amendment or not, but it has, by the adoption of that amendment, superseded all of the language in section 205 of the bill.

Mr. WRIGHT. May I ask the gentleman concerning that: Was the Dirksen amendment offered as a substitute for section 205, or does the gentleman mean that the effect of the amendment is to supersede section 205?

Mr. WOLCOTT. The effect of the amendment is to supersede the review position of the act. It sets up an entirely new procedure and eliminates the necessity for continuance of the Emergency Court of Appeals.

Mr. WRIGHT. Yet the provisions which have been studied by the committee for weeks as to the Emergency Court of Appeals are still in the bill. So you have two conflicting judicial set-ups and procedures outlined in the same bill at the present time, and now the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] attempts to initiate a third one.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REED of New York. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to make a few suggestions in regard to this matter as I see it. We can all understand why a majority of the House is so keen to see that every person has his day in court and that he has that day in court under proper circumstances. One thing we are apt to forget is that a person who is accused by some official of the Government for violating the law finds himself in conflict, not with one person, not with one community but with all the power of a great Government such as the United States; in other words, all the power of 135,000,000 people is brought to bear against him. Witnesses may be brought by the Government from every corner of the earth practically, certainly from every part of the United States, and from many countries by treaty arrangement. The most eminent counsel may be retained and the great powers of the Department of Justice are brought to bear to convict. They have every advantage. The farther away from home the honest man is hauled before a court the more danger he is in of being convicted. I do not think that anyone can question the soundness of that logic.

I have not studied the pending amendment carefully, but I have listened to the fine presentation on its behalf by the distinguished gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] and I can see exactly what he is aiming to do. Here is an honest man in a community; he is known in that community to be honest and the last man in the world to cheat his Government; when he comes to Washington he finds himself faced by an entirely different type of person to pass judgment on his character. The official in Washington wants to make the businessman charged with a violation out as a criminal, but the law presumes every man innocent until he is proven guilty. He ought to have every benefit of that phase of the law.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. Will the gentleman state specifically whether or not this amendment gives the person charged with the crime the opportunity to be tried before a judge in his own district? Is that all it does?

Mr. AUGUST H. ANDRESEN. In States where they can hear Federal cases in the State courts, if it is permissive, then the local State court can take jurisdiction of the criminal case, but in those States where they will not hear Federal matters, then it goes into the Federal district court of that State.

Mr. SUMNERS of Texas. Is that all the amendment does?

Mr. AUGUST H. ANDRESEN. Yes.

Mr. REED of New York. In conclusion may I say the nearer we can keep these proceedings involving honest men to their homes, the better chance he has of getting justice.

Mr. SHORT. Will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Missouri.

Mr. SHORT. If the person is actually guilty he wants a change of venue in order to get just as far away from home as he can.

Mr. REED of New York. There is no question about that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I hope we will pause for a moment and consider just where we are going. The amendment offered by the gentleman from Illinois [Mr. DIRKSEN], is of such a nature that from a practical angle if it should be made a part of this bill as finally enacted into law it will seriously impair the very purposes of price control through the ability to use the courts in order to prevent the effective operation of price-control legislation. The amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], goes even further in that direction.

Mr. Chairman, we are considering a wartime measure, and may I say to the gentleman from Texas who spoke about the inscription over the Supreme Court

Building, "Equal justice under the law," that we all agree with that. I know of no American who does not subscribe to that. But what justice under the law will we have if we lose this war? We are considering here legislation that is not applicable to normal peaceful times; we are considering legislation born of the war emergency, legislation which is just as necessary and essential as the implements and machinery of war are to our boys who are now fighting on the far-flung battlefields of the entire world. Of necessity we cannot have orderly processes of peacetime conditions, yet we must, in meeting the emergencies, strive as far as possible to protect the rights of our citizens. However, over and above everything else is the duty and the necessity of preserving the United States of America.

All of these arguments that are applicable under normal conditions are not applicable, or most of them are not, under the atmosphere of today—wartime conditions. This bill is a bill to control and prevent inflation, not a bill to bring about inflation. The curbing and controlling of inflation is necessary as a wartime measure.

I am afraid that we are turning this bill into a bill to bring about inflation. The control of inflation is threefold, as I see it: One, legislative; two, administrative; and three, psychological, on the part of our people. We are engaged in the first step, the legislative part. So far as criticism of defects in administration is concerned, I welcome them, and I think it is admirable to see Members criticized for administrative weaknesses in a constructive way. But let us not forget that we are legislating for a wartime situation and to meet wartime exigencies. While this may be considered as applicable to the Congress of the United States and to our people, it has its effect abroad. It is just as essential a part of our war effort as the production of tanks, airplanes, and the induction of our boys: Certainly we must have the courage to make sacrifices, to resist pressure groups, just the same as the young men who are wearing the uniform have made the sacrifices of their lives in Italy, in Normandy, and the Far East, and who are now fighting to preserve America.

So, I beg of you, my colleagues, to not lose sight of the fact that this is a wartime measure, born of wartime conditions. We are legislating in response to wartime exigencies, and our considerations and thought must be prompted by those circumstances. Above all, we must have price-control legislation. Other amendments will be proposed, such as the Pace amendment and the Brown amendment, and if either one of those amendments are adopted we might just as well throw up our hands and say that so far as this bill is concerned, it is no longer a bill aimed to prevent inflation but a bill that will bring about inflation by congressional action.

Mr. DONDERO. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, yesterday when we began our session the able and distinguished member of the Banking and Currency Committee, the gentleman from California [Mr. OUTLAND], took 10 minutes to scold the House for what it had done last week in adding certain amendments to this bill. Today he again took the floor to say something and comment on the amendments which had been offered and which have been adopted by the House. He expressed fear that the present bill might be weakened and price control adversely affected.

There is some merit in the comments which the gentleman made. I want to say, however, that what has been done and the amendments which have been added to this bill is nothing more nor less than an expression of the dissatisfaction and resentment on the part of the American people, through their elected representatives, not against price control, but against the administration of price control. Some of the amendments adopted, I believe, strengthen the bill and will make it more just and equitable. I voted for some of the amendments and against some amendments.

Mr. OUTLAND. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from California.

Mr. OUTLAND. I hope the gentleman did not mean exactly what the word "scold" usually implies. I took the floor yesterday, and I made my remarks today to hope and beg of the Members of this House that they would not let resentment or prejudice or partisanship or anything else stand in the way of a decent price-control program.

Mr. DONDERO. No one will disagree with that statement. We all support price control. We are in favor of it. I voted for the Emergency Price Control Act in the first instance. I am going to vote for this bill because it is my opinion that the committee has corrected many abuses which grew out of the present act and improved price control in the bill before us.

As some proof and evidence of what I just said about the expression of dissatisfaction by the American people against the administration of price control, I would like to read two or three sentences from a statement that has come to my desk from the Taxpayers Association of the City of Detroit. Just listen to this:

> In addition to this, the O. P. A. has expended great quantities of energy going about trying to stir up trouble between tenants and owners; it has been known to canvass buildings without a request from anyone trying to find a tenant who could be induced to complain about something.
>
> For some peculiar reason, the O. P. A. throughout its administration of rent control, has, at least in Detroit, tended to regard all landlords as in some especial manner the enemies of the state or society; and all tenants as wards and privileged children. Thus owners have been treated with bitter hostility; their most reasonable requests have been denied or ignored; their plight has been maligned and their motive slandered—all at the taxpayers' expense.

I is that kind of treatment of citizens and property owners, that has brought about such universal dissatisfaction everywhere, and particularly in my section of the State, against the administration of price control. I want to be realistic, the same as the gentleman from California, and say this: I realize we have to have price control in wartime, but if this bill is loaded down with amendments that will destroy price control and bring about a veto, and the Congress will sustain the veto of the President, it means that we will return to the present law, and price control will remain upon the country for another 6 months, and the benefits and improvements provided for in the bill now before us will be denied the American people. It is either the bill before us or a continuing resolution of the present law.

Therefore, I believe, that we would be doing a wise thing and helping our people by adopting amendments very carefully, if at all, and vote for the bill that we have before us, in order that the people might get some relief from the present administration of price control.

Mr. OUTLAND. I thank the gentleman for the statement he has just made, and I think it is one that almost all the members of the committee would agree to heartily. The committee tried to bring forth a bill that would meet a great many of these objections that have arisen against price control throughout the United States. While I certainly would not contend by any means that the bill is perfect in the field of rent control, in the field of judicial review and in other sections, we did the best we thought possible, trying to bring forth a bill that would correct those considerations.

Mr. DONDERO. In the administration of price control, they must consider the citizens of this country honest and law abiding instead of dishonest. They want to be law abiding, and they should not be treated as criminals, but that is the attitude that price control has taken against a large section of our people, and which has brought on this resentment against price control in the United States.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Michigan.

Mr. CRAWFORD. If it is the sense of the House, after all the hearings which have been held, and the debate on the floor in the last several days has been a sufficient spanking to all of us, including the O. P. A., then when the amendments are called up for final adoption, they can all be eliminated on the roll call.

Mr. DONDERO. They may be ironed out in conference, if adopted by the House acting in the Committee of the Whole.

Mr. BUSBEY. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I have listened with a great deal of interest to the words of the majority leader, the distinguished gentleman from Massachusetts [Mr. MCCORMACK], in regard to preserving the United States of America, and also acknowledging the right to criticize administrative weaknesses.

Mr. Chairman, one of the reasons I took the floor yesterday to give to this House the record of Mr. Tom Tippett and Mr. Tom Emerson and Shad Polier,

was because of the abuses that have been going on under O. P. A., that have provoked the numerous amendments that have been offered to this bill.

When a man is ill and he seeks the services of a doctor, the doctor diagnoses his case and tries to find the cause of his illness, and then proceeds to eliminate the cause. I want to relate an experience that took place in my office not so long ago when one of the head officials of the O. P. A., in the Price Control Division, called me up and asked for an interview. I had never heard of or met this man before he came to see me. He sat there one evening for two and a half hours and told me one of the most amazing stories I had ever listened to in all my life in regard to what was going on in O. P. A.

Toward the conclusion he said this:

Congressman, you may think it is strange that I should be up here telling you these things when I admit to you openly that I have been a party to and a part of this bureaucratic domination of O. P. A. ever since its inception. The reason I am up here talking to you this way is that this whole thing has gone so far in O. P. A. to undermine and destroy our representative constitutional form of government that I am scared myself. That is the reason I am up here.

He went on to say that while he was delegated the responsibility of setting prices in that particular division he did not have a word to say about it, because he had to send his orders up to some one of the long-haired professors or the palace guard to get their O. K. on it before he could send it out.

Mr. Chairman, that is the reason why the people are revolting against the administration of O. P. A., because men like Tom Emerson, Shad Polier, and Tom Tippett are in their way attempting to remake our form of government that you and I enjoy, without an open, armed revolution. They have succeeded much further in their efforts than most people realize. There is one thing about it, sooner or later you will have to recognize the fact and meet the issue. You are not going to hold the line of our republican form of government by pussyfooting or appeasement, you are going to have to stand up and fight and fight hard.

I am for price control, I am against inflation, I am also for the Constitution of the United States of America, and our representative form of government.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from North Carolina.

Mr. COOLEY. What position does Mr. Emerson hold with the O. P. A.?

Mr. BUSBEY. Mr. Emerson is the Deputy Administrator for Enforcement, at $8,000 a year. May I invite you to read the record of Tom Emerson, Shad Polier, and Tom Tippett, you will find it in yesterday's RECORD. I put it there yesterday.

I still insist that the trouble is not the price-control law but with the kind of men administering it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

The amendment was rejected.

Mr. COMPTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COMPTON: Page 18, after line 22, insert:

"SEC. —. (a) Any person aggrieved (otherwise than in his capacity as an officer or employee of the United States, or as a member of the land or naval forces of the United States) by any order, regulation, decision, directive, or other action of any war agency (as defined in subsection (b)) may, unless the law pursuant to which such action was taken specifically provides a method of judicial review of such action, obtain a declaration of rights in respect of, and an order enjoining the enforcement of, such action in the circuit court of appeals for the circuit in which such party resides or has his principal office or place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court a petition for such declaration and order. Upon such filing, a copy of the petition shall be served forthwith upon the head of the agency concerned, and thereupon such court shall have exclusive jurisdiction to affirm, or, if the action of the agency is not in accordance with law, to enjoin the enforcement of, and declare rights in respect of, such action, except that the court shall dismiss the petition unless it determines that the petition has used due diligence in seeking to have the action corrected by the agency concerned and that the petition was filed within a reasonable time. If any facts are in dispute which in the opinion of the court are material, the court may take testimony with respect thereto or appoint a master for that purpose, and make findings of fact upon the basis of such testimony, or may require the head of the agency concerned to take such testimony and make findings of fact upon the basis of such testimony and to file such testimony and findings with the court. The judgment of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code.

"(b) For the purposes of this section the term 'war agency' means:

"(1) Any agency authorized to make contracts pursuant to section 201 of the First War Powers Act, 1941.

"(2) Any agency in the Office of Emergency Management.

"(3) Any agency created by or pursuant to any law which by its terms will not be applicable with respect to any period after the present war, or after the termination of hostilities in the present war, or after a specified date.

"(4) Any agency exercising powers vested in the President which have been delegated to it, either directly or by means of a redelegation or successive redelegations."

Mr. WOLCOTT. Mr. Chairman, I reserve a point of order against the amendment.

Mr. COMPTON. Mr. Chairman, this has been a field day for the legal profession. I as a layman appear very humbly in connection with this judicial part of the O. P. A. bill. I feared that there would be a point of order made against my amendment, but at the same time I hoped that I might have a hearing.

I have before the Committee on Military Affairs the bill H. R. 4857, which provides only for review of decisions of the National War Labor Board. I know some progress has been made here this afternoon in providing recourse to the courts, but it seems to me that my amendment here would go a little further. From the criticism that has come to me from citizens and organizations and corporations of the directives of war agencies, I think some provisions for court review for any and all who feel they are aggrieved should be made as have been made this afternoon. I also think it ought to go further than the O. P. A. and the War Labor Board. My amendment provided for that.

There may be some who feel that my amendment would retard the administration of war agencies and therefore be against the best interests of the people generally and of labor specifically as they have indicated, but I feel that it is to the advantage of labor as well as all other groups and individuals to have this recourse to the courts. The traditional American principle of being allowed a day in court is as old as the hills, and I am sure that it was never contemplated by the Congress that these edicts, directives, orders, and manifestos by men, without any restriction or recourse, should obtain.

The question is whether or not we are to continue the policy initiated these past few years and accentuated during the war, of irrevocable directives. This government by men instead of government by law should be stopped. The O. P. A., the W. L. B., and all these other war agencies would function with much less criticism and irritation if the public felt they had free and unhampered access to the courts. I am sure by the same token that the agencies themselves would be much more careful and use more discretion in their actions in the administration of their broad powers.

I trust the gentleman from Michigan [Mr. WOLCOTT] will not insist on his point of order.

Mr. WOLCOTT. Mr. Chairman, I insist on the point of order that the amendment is not germane to the bill and contains subject matter beyond the scope and the purview of the bill.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, to which the gentleman from Michigan [Mr. WOLCOTT], makes the point of order that it is not germane. The Chair has examined the amendment, and it appears that the amendment is much broader than and applies to agencies not covered by the pending bill. Therefore, the Chair sustains the point of order.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWIN ARTHUR HALL: On page 18, after line 22, add a new section as follows:

"That no person who violates or who is alleged to have violated any provision of a regulation or order issued by the Price Administrator of the Office of Price Administration shall be subject to any penalty or sanction or the withdrawal or denial of any benefits, rights, or privileges, or otherwise be subject to discrimination, unless such penalty or sanction, or the withdrawal or

denial of such benefits, rights, or privileges, or such discrimination, as the case may be, is specifically provided by law as a sanction for such violation or alleged violation."

Mr. EDWIN ARTHUR HALL. Mr. Chairman, in all this Tower of Babel today I have heard very little about what kinds of penalties will be imposed upon the people by the O. P. A. Yet under the present law, just about anything can be done by the Administrator. My amendment seeks to safeguard the American citizen from the long fangs of the bureaucratic wolves. It embodies the provisions after the enacting clause of H. R. 1359, a bill which I introduced early in the Seventy-eighth Congress.

Now to some the keeping of a campaign pledge may not mean a lot. However, I think every man and woman in this Chamber wants to reflect the will of the people back home. I promised my district I would do something about the way O. P. A. has acted. So in order to keep that faith, in order to keep that trust, I prepared this amendment, embodying provisions of the bill I mentioned. H. R. 1359 was the first step taken in the Seventy-eighth Congress to put pressure upon the bureaucratic agencies in order to curtail their power. I hope that some sort of regulation will be put in this O. P. A. bill. I am not satisfied with the limit to which power has been given this agency. We are still answerable to those back home, and those men and women we represent are subject to the regulations that are made so fast by the thousands in bureaucratic positions. You can make light of such a proposal, but there is not a person who represents his people back home who dares meet them face to face in all conscience when the question is asked, "What have you done to curtail the power of the O. P. A.?" I hope that the House will adopt this amendment. This is the first proposal to curtail their power. There were extensive editorials upon my bill from every section of the country. One newspaper editor in the State of Maine in commenting on this bill said it was a logical step to be taken along these lines to keep the power of O. P. A. from placing the American people in the status of serfs. This amendment which I have introduced will limit the penalties O. P. A. can mete out and lay upon the citizens of this country. O. P. A. will have to come to Congress to get their authority to fix penalties, whether it be for violation of gasoline rationing, in order to curtail and take away their gasoline stamps or automobile license, or whether it be a step much more drastic.

In my remarks of yesterday I pointed out, and it was greeted with humor from some sections, that a price-control law was passed at the time of the French Revolution, the third violation of which meant death by the guillotine. I am not attempting to scare this House and say that they will go that far, but when those in authority begin meting out punishments it is only a step from a fine or a jail sentence to the supreme punishment which could be meted out should certain wild and unbridled men assume power. I hope you will protect the people of the United States by adopting this amendment.

Mr. SPENCE. Mr. Chairman, I think it is a dangerous thing to attempt to legislate on a matter of this importance through passion and prejudice. The inflationary gap is growing every day. There is a decrease in consumers' goods and there is an increase in the purchasing power of the American people. These economic conditions are growing more perilous all the time. If we take away these restraints, God only knows what is going to happen to the American people. It is important to hold our lines on the far-flung battlefronts of the world, but it is just as important to hold the price lines here if the boys who are coming home are going to have the same advantages that their forebears had. That, I think, is the reason for these amendments that have been passed today. Usually they are accompanied by a denunciation of the bureau. None of us like bureaus. We would rather be free to do what we please. We would rather be free to assert our constitutional rights on every occasion. But unfortunately when we are fighting for the very life of our Nation we cannot do that. You have got to approach these things with clear heads and without prejudice, with the desire only to arrive at the conclusion of what is best for the American people. I hope that when we meet these amendments in the future we will not meet them in a spirit of passion and prejudice. It is easy enough to inflame the people, to talk about their rights having been taken away from them. In many cases they have. They have to be taken away from them to preserve our Nation and to preserve the future of the Constitution itself which we are fighting for today. Mr. Chairman, I ask that this amendment be voted down and all other amendments, where there is a preliminary denunciation of this bureau, because if the amendment is meritorious it needs no introductory denunciation to support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. EDWIN ARTHUR HALL].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 7. (a) Subsection (e) of section 205 of the Emergency Price Control Act of 1942, as amended, is amended to read as follows:

"(e) If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, the person who buys such commodity for use or consumption other than in the course of trade or business may, within 1 year from the date of the occurrence of the violation except as hereinafter provided, bring an action against the seller on account of the overcharge. In such action, the seller shall be liable for reasonable attorney's fees and costs as determined by the court, plus whichever of the following sums is the greater: (1) Such amount not less than one and one-half times and not more than three times the amount of the overcharge, or the overcharges, upon which the action is based as the court in its discretion may determine, or (2) $50. For the purposes of this section the payment or receipt of rent for defense-area housing accommodations shall be deemed the buying or selling of a commodity, as the case may be; and the word 'overcharge' shall mean the amount by which the consideration exceeds the applicable maximum price. If any person selling a commodity violates a regulation, order, or price schedule prescribing a maximum price or maximum prices, and the buyer either fails to institute an action under this subsection within 30 days from the date of the occurrence of the violation or is not entitled for any reason to bring the action, the Administrator may institute such action on behalf of the United States within such 1-year period. If such action is instituted by the Administrator, the buyer shall thereafter be barred from bringing an action for the same violation or violations. Any action under this subsection by either the buyer or the Administrator, as the case may be, may be brought in any court of competent jurisdiction. A judgment in an action for damages under this subsection shall be a bar to the recovery under this subsection of any damages in any other action against the same seller on account of sales made to the same purchaser prior to the institution of the action in which such judgment was rendered."

(b) The amendment made by subsection (a), insofar as it relates to actions by buyers or actions which may be brought by the Administrator only after the buyer has failed to institute an action within 30 days from the occurrence of the violation, shall be applicable only with respect to violations occurring after the date of enactment of this act. In other cases, such amendment shall be applicable with respect to proceedings pending on the date of enactment of this act and with respect to proceedings instituted thereafter.

Miss SUMNER of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Miss SUMNER of Illinois: On page 19, line 11, after the words "such amount" strike out the words "not less than one and one-half times and not more than three times the amount of the overcharge, or the overcharges" and insert "not more than $50 or treble the amount of the overcharge or overcharges, whichever is greater."

Mr. SPENCE. Mr. Chairman, will the gentlewoman from Illinois yield for a unanimous-consent request?

Miss SUMNER of Illinois. I yield.

Mr. SPENCE. Mr. Chairman, I wonder if we could not agree on a time limit for debate on this section and all amendments there.

Miss SUMNER of Illinois. Would the gentleman from Kentucky wait until we have a little debate and then he can so move?

Mr. SPENCE. I thought that we might agree.

Mr. WRIGHT. Mr. Chairman, I have an amendment.

Miss SUMNER of Illinois. Mr. Chairman, there are quite a few amendments. I copied them at the clerk's desk. There must be about seven amendments.

Mr. SPENCE. Mr. Chairman, can we agree on 40 minutes?

Mr. GOODWIN. Mr. Chairman, reserving the right to object, I understand there are eight amendments. Ten minutes on each amendment would scarcely leave us time, within that limitation.

Mr. WRIGHT. Mr. Chairman, reserving the right to object, I would like to proceed for 5 minutes on an amendment which I have.

The CHAIRMAN. The Chair will state there are about eight amendments on the desk on this section.

Mr. WRIGHT. Mr. Chairman, reserving the right to object, I would like to speak for 5 minutes on my amendment, and I am quite sure the committee wants 5 minutes on it.

Mr. SPENCE. Mr. Chairman, there is no desire to keep the Members from debating these amendments, but I think we must limit the time if we expect to get through with them. I will ask for unanimous consent to limit the debate to 45 minutes, if that is satisfactory, plus the 5 minutes of the gentlewoman from Illinois, which would make it 50 minutes.

Miss SUMNER of Illinois. Mr. Chairman, reserving the right to object, I notice in reading the amendments that most of them relate to this question. I think that after we finish this amendment we will more or less have cleared the air on this question of willful offense. If the gentleman from Kentucky would wait until after this amendment, I think he will be in a fair position to move for a limitation of time and perhaps get it done more quickly.

Mr. SPENCE. That is agreeable to me, Mr. Chairman.

The CHAIRMAN. The gentlewoman from Illinois [Miss SUMNER] is recognized for 5 minutes.

Miss SUMNER of Illinois. Mr. Chairman, this amendment will alleviate and remedy the complaints you have heard against being taken into court and punished for a fixed penalty, because of a damage which was not willful. This leaves it to the court who has said, "You are guilty," to say what the punishment shall be.

As you notice in this section the way this law is enforced, they let whoever buys a commodity and is overcharged go into court. As provided in this section he gets attorney's fees, he gets costs. He also gets damages which, according to this section as fixed by the committee, must be not less than one and one-half times the overcharge or $50.

Those of you who are lawyers know the great temptation not to sue except when the overcharge is very large. So that means there is more enforcement for the large overcharges than for the small items which go into the cost of living.

My amendment is very simple. It leaves it to the court to go up to $50 or treble the overcharges, which corresponds with the original bill. So in this case, if you adopt my amendment, when a man is found guilty a judge can look at the case. He may perceive, perhaps, that the plaintiff is a racketeer, or perhaps the defendant is a man who did not intend to overcharge. Perhaps the defendant was acting under a regulation which was so complicated that even Einstein could not understand it. The judge in that case, under this amendment, can assess a small damage, rather than as in the committee bill where they assess a man one and one-half times the damages, which might be as high as $33,000, or you could not tell what it would be.

Mr. HARNESS of Indiana. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. HARNESS of Indiana. In other words, the bill as it is written and reported by the committee makes it arbitrary?

Miss SUMNER of Illinois. Fifty dollars or one and one-half times the overcharge.

Mr. HARNESS of Indiana. Your amendment would make it discretionary with the court?

Miss SUMNER of Illinois. It would make it discretionary with the court, as it is in every other kind of lawsuit except in antitrust suits.

I draw your attention to the fact that the abomination of this enforcement as I have seen it in the past, is that it acts as if a violation of a price ceiling of O. P. A. were worse than such crimes as defrauding the United States in wartime.

There have been cases which held that $10,000 was a sufficient penalty for that. Or, in sedition cases where one man went to prison for 10 years and was assessed a fine of $10,000. Treason, $10,000. Under the committee bill a man might be held up for as much as $15,000 or $20,000 for an overcharge that he did not mean at all. To my mind this thing is so absolutely inconsistent with justice that we should not stand for it.

Mr. J. LEROY JOHNSON. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. J. LEROY JOHNSON. I know a man who overcharged for some rentals. There were 24 instances but the amount was very small, namely 25 cents per week, a total of $8.50 in all. Under the law at the time the court felt that it was mandatory to assess a fine of $50 for each violation; in other words, $1,700 for a violation that was not willful and in which the amount in all was only $8.50. Will your amendment correct that sort of situation?

Miss SUMNER of Illinois. Yes; it leaves it up to the judge. The judge is in the habit of looking at people and assessing damages. If the O. P. A. does not like it, they can appeal. That is traditional justice in America.

Mr. J. LEROY JOHNSON. Is your amendment a positive limitation?

Miss SUMNER of Illinois. No limitation at all. It says, "Not more than $50 or treble the amount of the overcharge, whichever is greater."

Mr. HARNESS of Indiana. Then there is a limitation in your amendment?

Miss SUMNER of Illinois. Yes; the judge cannot go over $50 or treble the amount of the overcharge, whichever is greater.

Mr. WRIGHT. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. WRIGHT. I think it might add to the information of the House if the amendment were again reported. There seems to be some confusion over what the amendment provides.

Miss SUMNER of Illinois. Mr. Chairman, I ask unanimous consent that the Clerk may again report the amendment.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk again reported the amendment offered by the gentlewoman from Illinois [Miss SUMNER].

Mr. COOLEY. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. COOLEY. Is it the purpose of the amendment to permit the presiding judge to exercise discretion in assessing damages?

Miss SUMNER of Illinois. Exactly.

Mr. COOLEY. So that he might take into consideration all the facts and circumstances?

Miss SUMNER of Illinois. Yes.

Mr. WRIGHT. Perhaps my mind does not comprehend the wording of the amendment, but, as I understand it, it would not seem to me that under the wording of the amendment the court would have any discretion. It would seem that he must of necessity apply the maximum.

Miss SUMNER of Illinois. No, no. He can make it a dollar if he wants to.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

The question is on the amendment offered by the gentlewoman from Illinois [Miss SUMNER].

The amendment was agreed to.

Mr. SPENCE. Mr. Chairman, I move that all debate on this section and all amendments thereto close in not to exceed 40 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Kentucky.

The motion was agreed to.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: On page 20, line 21, add a new subsection as follows:

"(c) Subsection (f) of section 205 of the Emergency Price Control Act of 1942 is amended by striking out the period at the end thereof, inserting a colon and the following: *'Provided, That,* notwithstanding the provisions of section 301 of the Second War Powers Act, 1942, or any other law, no such license shall be suspended in any other manner, for any other cause, or for a longer period of time, than provided in this subsection, and no regulation, order, license, or requirement heretofore or hereafter issued or prescribed pursuant to any provision of law other than the provisions of this act or of the Stabilization Act of October 2, 1942, may validly contain any requirement as to the observance of any regulation, order, license, or requirement issued or prescribed pursuant to this act or under the Stabilization Act of October 2, 1942.'"

Mr. WOLCOTT. Mr. Chairman, we have had a great deal of discussion in respect to the so-called kangaroo courts. This amendment will stop the functioning of these kangaroo courts in respect to violations of the Emergency Price Control Act of 1942 and the Stabilization Act of 1942.

A practice has grown up in O. P. A. something along this line, that as a condition in the permission or license or whatever it might be called, to sell rationed or allocated goods under directive issued in consequence of the Second War Powers Act, the O. P. A., or whoever made the directive, has made it an offense to violate any order, regulation, or price schedule issued under the Price Control Act.

The Price Control Act provides that in order to suspend a license issued under the Price Control Act a warning must first be given, and then if the respondent continues to violate the regulation or order the Administrator has only one other course, a very proper course, that is to go into a court and ask for a suspension of the license based upon the violation. The court, if it finds there has been a violation of the regulation or order or price schedule or license, may suspend, for a term not to exceed 12 months, the license to sell any commodity upon which there has been a maximum price set. Having that in mind, let us go back to the War Powers Act. The regulations under the War Powers Act provide that O. P. A. may suspend the right of a person to do business in rationed or allocated commodities upon violation for any time during the emergency.

The point is this: The abuses we have been talking about in the kangaroo courts set up within O. P. A. are that they make as a condition of the permission to sell allocated goods an agreement not to violate any of the price schedules and therefore they attempt to take jurisdiction, to take away these licenses in a manner other than is proposed in the Price Control Act. In other words, if a person sells a can of beans for 11 cents and the ceiling price is 10 cents, and it so happens that beans are being rationed, then that is a violation of the regulation under which the merchant is authorized to sell allocated materials, and his permission to sell allocated materials is taken away from him by the O. P. A. without a court hearing because he violated the price schedules.

This amendment prohibits that practice and compels an adherence to the procedure set up in the Price Control Act. To me it has been a reprehensible practice. It circumvents the clear intent of Congress that licenses be not suspended except as the result of court action. The practice is a successful endeavor to circumvent the protections which we put in the price control bill in respect to the suspension of licenses.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. MONRONEY. I wish to ask the gentleman from Michigan if this works only on the duplicated matter that he had reference to, that is the tie-in of a price violation and a rationing violation; or does it interfere with O. P. A.'s rationing of commodities by themselves?

Mr. WOLCOTT. No; it has nothing to do with rationing by the O. P. A. excepting that O. P. A. is prohibited from enforcing the Price Control Act through the powers granted to them under the War Powers Act.

Mr. MONRONEY. It sounds like a good amendment.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. VOORHIS of California. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. VOORHIS of California. Do I understand that the gentleman's amendment has this effect, to say that whereever O. P. A. is enforcing a price ceiling it must enforce that price ceiling by the methods provided in the Price Control Act?

Mr. WOLCOTT. That is right.

Mr. VOORHIS of California. Is that correct?

Mr. WOLCOTT. That is correct.

Mr. VOORHIS of California. So the net effect of the gentleman's amendment from a practical point of view—or at least one of them—would be that no suspension of business could be effective against any individual without going through the court procedure which is to be observed under the price control enforcement; is that correct?

Mr. WOLCOTT. That is correct.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. SMITH of Virginia. Can the gentleman tell us in what respect this amendment differs from the amendment offered by the gentleman from Tennessee [Mr. JENNINGS] a couple of days ago?

Mr. WOLCOTT. I have not time to discuss it; I do not know; I do not remember.

Mr. SMITH of Virginia. I think it is substantially the same language.

Mr. WOLCOTT. It differs materially in verbiage, I may say.

Mr. DILWEG. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. DILWEG. Where in the first clause of your amendment reference is made to "such license," am I correct in supposing that the reference there is to a license issued under the Emergency Price Control Act and not to an allocation under the Second War Powers Act?

Mr. WOLCOTT. That is right.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. AUGUST H. ANDRESEN. Are we to understand that existing law requires warning before they assess these penalties?

Mr. WOLCOTT. This has not anything to do with penalties; it has to do with suspensions of licenses to sell commodities.

Mr. AUGUST H. ANDRESEN. Take, for instance, the creameries I mentioned. These people did not have any warning, did not know they had violated the law at the time they were hauled into these kangaroo courts and assessed penalties.

Mr. WOLCOTT. That is the very practice my amendment is intended to prevent.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. WRIGHT. Mr. Chairman, I offer an amendment as a substitute to the amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. WRIGHT as a substitute to the amendment offered by Mr. WOLCOTT:

"Section 205 of the Emergency Price Control Act is amended by adding at the end thereof the following new subsection:

"'(9) The district courts shall have exclusive jurisdiction to enjoin or set aside in whole or in part, orders for suspension of allocations and orders denying a stay of such suspension issued by the administrator pursuant to section 2 (a) (2) of the act of June 28, 1940, as amended by the act of May 31, 1941, and title IV of the Second War Powers Act of 1942 and under authority conferred upon him pursuant to section 201 (b) of the act. Any action to enjoin or set aside such order shall be brought within 5 days after the service thereof. No suspension order shall take effect within 5 days after it is served or if an application for a stay is made to the Administrator within such 5-day period, until the expiration of 5 days after the service of an order denying the stay. No interlocutory relief shall be granted against the Administrator under this subsection unless the applicant for such relief shall consent without prejudice to the entry of an order enjoining him from violations of the regulation or order involved in the suspension proceedings.'"

Mr. WOLCOTT. Mr. Chairman, I make a point of order against the amendment on the ground that it is not properly a substitute for the amendment I offered. It has to do with the jurisdiction of the courts.

Mr. WRIGHT. Mr. Chairman, will the gentleman reserve his point of order?

Mr. WOLCOTT. Mr. Chairman, I reserve the point of order to permit the gentleman to make a statement.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 5 minutes.

Mr. WRIGHT. Mr. Chairman, the amendment I have offered is the amendment that was adopted in the Senate. It was adopted in the Senate as a committee amendment. I believe the gentleman from Michigan is driving at a practice and abuse which has done very much to hurt O. P. A.

There is only one difference between the remedy I propose and the remedy he proposes and I intend to leave it to the House as to which remedy it thinks is better.

The gentleman's amendment would completely prohibit what has been known as the kangaroo courts. It would prohibit the O. P. A. from suspending anybody's license to deal in rationed articles by reason of that person's violating a price ceiling. At the present time the O. P. A. ties in the violation of price ceilings with the power to deal with rationing. As the gentleman from Michigan has explained very well, these two

powers are derived from two different acts

What I propose to do is to still let them retain that power. I am not sure that I am right, but I will submit it to the House to determine that. In the past there has been no way to appeal from the action of the O. P. A.

I propose that although the O. P. A. shall retain this power, there shall be an appeal to the district court and that court shall have the right to set such a suspension of license aside.

The committee is confronted, as I say, with a choice between two remedies; one is to take away this right and the other is to subject it to judicial review by the district court of the district. I may say that in talking with several of the gentlemen of the committee, I am informed they have spoken to some of the legal counsel of the O. P. A. and the indications from there are that the method I propose is workable. At least it has been agreed to by the Senate committee. It is a committee amendment and would aid in an agreement between the two Houses.

Mr. CRAVENS. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Arkansas.

Mr. CRAVENS. Contrasting the gentleman's amendment with the amendment offered by the gentleman from Michigan—I do not know which one is correct—would not the gentleman's proposal put an aggrieved citizen to another and further legal action and step which he would have to take in order to protect his rights, while the amendment offered by the gentleman from Michigan would stop them right in their tracks?

Mr. WRIGHT. The gentleman is right if you think the dealers are always aggrieved. The O. P. A. says that if a man violates a price ceiling he is an unfit conduit or an unfit distributor to deal in rationed commodities. If he does it deliberately, I think the O. P. A. is right. If, on the other hand, he does it through oversight or does it to a very minor extent, he ought to have the right to go to court and have his rights adjudicated. I would like to lean over backward and not take away from the O. P. A. any weapon which may be used to help combat price inflation, and still protect the rights of the citizen.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. I understand from a reading of the amendment proposed by the gentleman that it is required that a citizen shall waive some right of his in order that he may get justice under some other provision.

Mr. WRIGHT. The only thing he has to do is to agree that he will not violate the order while it is being tested in court.

Mr. O'HARA. Will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Minnesota.

Mr. O'HARA. I have marveled at these O. P. A. regulations and this bill and the 5-day appeal or limitation provision. I want to compliment the gentleman on what he thinks a lawyer could do in a complicated case in 5 days.

Mr. WRIGHT. May I say to the gentleman this provision never involves a rule or regulation. It merely involves the relation of the Government to one of its citizens, a man who has probably violated some price order. Usually it is a rather simple matter as to whether he did or not.

Mr. O'HARA. It would not take much time?

Mr. WRIGHT. I would not think so. Perhaps it might in some cases. I do not know where this amendment originated in its inception. I got it out of the CONGRESSIONAL RECORD. It was submitted by the committee in the Senate as a committee amendment and I thought it was better than the practice which exists now. Maybe the gentleman from Michigan has the right answer, I do not know.

The CHAIRMAN. The time of the gentleman has expired. Does the gentleman from Michigan [Mr. WOLCOTT] withdraw his point of order?

Mr. WOLCOTT. Yes, Mr. Chairman.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Pennsylvania [Mr. WRIGHT] for the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The substitute was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The amendment was agreed to.

Mr. CRAVENS. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. CRAVENS: On page 20, line 21, after the period, add the following new subsection (c):

"(c) It shall be an adequate defense to any civil suit brought by the Office of Price Administration under the provisions of this act if the defendant proves that the violation of the act or of a rule or regulation issued pursuant to the act is neither willful nor the result of failure to take practicable precautions against the occurrence of the violation, and neither the Administrator nor the Office of Price Administration nor any employee thereof shall inflict or impose penalties, sanctions, or suspension orders of any kind, remedial or otherwise, not specified by statute, and expressly delegated to the Administrator or employee of such agency by lawful authority."

Mr. CRAVENS. Mr. Chairman, a casual reading of the amendment which I have submitted to the Committee shows that whether it is adopted or not it can have absolutely no effect of increasing inflationary tendencies in this country; neither can it have the effect, as has been charged against some of the amendments which have been under consideration, of interfering in any way with the war effort.

The sole purpose of the amendment I submit for your consideration is to relieve a situation which I think has done much to bring the administration of the O. P. A. into disrepute, has done much to irritate the people of this country and largely accounts for the unfortunate reaction which we have seen here in the past few days against the operation of the O. P. A.

The first part of the amendment which I propose will prevent a situation with which all of you are familiar. I have had many complaints and I am sure that I am in a typical situation. I refer to where a claim is made that some person who either cannot understand the O. P. A. regulations or in trying to understand them misconstrues them, and makes an innocent mistake. We will all confess that a great number of the regulations of O. P. A. are difficult to understand. It is impossible for agile minds to comprehend or to know what many of them mean. Yet when O. P. A. finds a person who has unintentionally violated some rule or regulation that it has promulgated, a horde of O. P. A. busybodies swoop down on him and say to him: "You have got to do this, you have got to do that," and they threaten him, they coerce him; in fact they go so far, in my judgment, as to approach an attempt at blackmail.

Mr. O'HARA. Will the gentleman yield?

Mr. CRAVENS. I yield to the gentleman from Minnesota.

Mr. O'HARA. I wonder if the gentleman can tell us how many thousands of regulations the O. P. A. makes each year or that it has in operation?

Mr. CRAVENS. No; I cannot.

Mr. O'HARA. It would run into the thousands anyway.

Mr. CRAVENS. I am sure it would, perhaps into the tens of thousands; but regardless of the number it runs into, you will find almost as many O. P. A. agents coming down to see you about the violation of one of them and threatening you with all sorts of dire consequences if you do not do what they say you should do.

If a person in good faith, after trying to find out what these regulations are, has tried to live up to the regulations as he understands them, or has made an honest mistake, either directly or through inability to get a certified public accountant to sell a can of beans for him at 10 cents instead of 11, and as a result of that situation violates a regulation unintentionally, then under the proposed amendment that shall be an adequate defense against charges that the O. P. A. may bring against him. In other words, it leaves the intentional, willful violator of a regulation subject to all the penalties of the law but relieves the person who has tried to do the best he can under very disconcerting circumstances to live up to these regulations. The amendment provides that if he proves he has done the best he can and has not willfully violated the regulations, then he has a good defense against prosecution.

Mr. Chairman, I do not think it is a strange doctrine in this country that before a person may be punished the person who would effect that punishment must be able to point to some lawful regulation which is violated and show that there is a penalty provided by law for such violation. All the second part of my

amendment does is to provide that no penalty shall be imposed upon any citizen in any part of this country unless the O. P. A., or whoever it may be who seeks to impose a penalty, can point to some provision of law which says that what the defendant has done is a violation of the law, and points out the penalty the law prescribes for such violation.

I can think of nothing that would do more to eliminate the Gestapo activities of this agency and serve to reestablish the O. P. A. in the esteem of the American people than the adoption of this amendment. At least, it would relieve many from the harassing tactics of this agency without in any way jeopardizing the recognized essential functions the O. P. A. is exercising and must exercise.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if we adopt this amendment, we adopt an entirely new principle in respect to civil practice and procedure. The civil provisions in this bill, in which the defendant may be sued for damages, set up no different machinery than in respect to damage suits brought on any other cause of action. I do not know of any other occasion where willfulness is made the basis for a civil action in damages on an implied contract.

We have in this case an implied contract between the Government and the retailer or seller of goods on which a maximum price has been placed. The Government assumes that he will not violate the rules or regulations, otherwise his license to do business might be taken away from him.

Then we provide for stipulated damages, and we have amended it, not to exceed three times the amount of the overcharge, or $50, whichever is greater.

It seems to me that it puts the Congress in a perfectly ridiculous light in respect to the enforcement of this act to say that anyone might have a defense that they did not intend to violate the law. In every suit for injunction, every suit for damages, every suit to suspend a license, the defendant merely comes in and he says, "I did not intend to violate the law" and the burden is immediately shifted, and instead of the action speaking for itself, that proceeding brought by the Administrator, either to prevent a violation or to suspend a license, or for stipulated damages, must turn upon whether the Administrator is able to dig into the defendant's mind to determine if he did or did not intend to violate the law. In any criminal action, of course, intent is usually one of the elements of the crime, and must be proven.

If we make intent an element in a civil action, we have done something very novel in American jurisprudence and practice, and I hope that this committee and this House will not make itself look as ridiculous as another body of this Congress did when a similar amendment was adopted by that body.

Mr. GOODWIN. Mr. Chairman, I offer a substitute for the amendment offered by the gentleman from Arkansas [Mr. CRAVENS].

The Clerk read as follows:

Substitute amendment offered by Mr. GOODWIN: Page 20 after line 21 insert:

"(c) Section 205 of the Emergency Price Control Act of 1942 is further amended by adding the following new subsections:

"'(g) It shall be an adequate defense to any suit or action brought under subsections (b), (e), or (f) (2) of this section if the defendant proves that the violation of the regulation, order, or price schedule prescribing a maximum price or maximum prices was neither willful nor the result of failure to take practicable precautions against the occurence of the violation.

"'(h) Nothing in this section shall be construed to deprive the courts of the power to assess against the defendant the amount of the overcharge.'"

Mr. GOODWIN. Mr. Chairman, the principal difference between the amendment I am offering and that of the gentleman from Arkansas is in the last section, which I will discuss in a moment. The two amendments are, to all intents and purposes, the same, and intended to accomplish the same objective.

Mr. Chairman, this is a perfectly simple and easily understandable amendment. It seeks to give to a defendant in a case involving an overcharge the right to show to the court if he can, that the violation was neither willful nor the result of failure to take practicable precautions against its occurrence. It gives to such a defendant the same right we give to the most hardened criminal—the right to his day in court. He does not have his day in court now, and I find nothing in the present bill which gives him that right.

The amendment puts the burden of proof on the defendant and is unique in that respect. There is no presumption of innocence in his favor. He must go forward. But if he satisfies the court with his statement of the case the judge may say to him, "I believe you are an honest merchant who has acted in good faith. I am not going to put upon you the stigma of a penalty." Without this amendment the court may be satisfied that the merchant ought not to be penalized, but he is bound to say to the defendant, "I am sorry I cannot hear your defense. You must pay a $50 penalty and an attorney's fee of $25."

Without this amendment we have a cold-blooded inflexible dictatorial, un-American rule of law. With the amendment the defendant is guaranteed that the court which hears his case will be allowed the exercise of some measure of discretion. That, after all is only simple, common, sensible justice. May I remind the committee that another body has endorsed this amendment by a decisive vote. It is not a crippling amendment. I believe it will actually strengthen the law. If we read history we must conclude that a law is only as effective as the people affected by it believe it to be reasonable. Give the merchant this affirmative defense and we will take out of the law one of those harsh, inflexible, and unreasonable provisions which have done so much to destroy the people's confidence in a people's government.

This amendment does not protect the willful violator of the regulations or the man who fails to take reasonable precautions, and that man deserves no protection. It does seek to protect the merchant who, in good faith, does all he reasonably can to cooperate, and he ought to be protected.

The amendment leaves this bill thoroughly effective against the dishonest merchant and the chiseler, but protects the honest merchant from being penalized for an honest mistake.

This amendment is vitally important to the merchants of the Nation. There are half a million of them, and they are, with few exceptions, honest, law-abiding, and patriotic. They want to cooperate with enforcement authorities and are trying hard to observe the regulations. If the Government has a right to impose price-control regulations upon them, then it certainly owes them the duty to see that those regulations are reasonable.

It has been said that if a defense is allowed a defendant he may get off by pleading ignorance of the law. That is not so. Under my amendment he must show that he knew the law and was conscientiously trying to observe the regulations. The court must be satisfied that the defendant had taken practicable precautions to guard against violation.

A merchant today is faced with unusual difficulties in getting and keeping faithful employees. The overturn is heavy and continuous. There are confusing and conflicting rules constantly being promulgated regarding prices and otherwise. Simple fairness and justice demand that the merchant have the right to tell his story in his own defense.

The size of the penalty is not so important, although most price violations are figured in pennies, and a $50 penalty seems too large where a merchant sells three pairs of socks for $1.35 when the price was $1.25. It is the infliction of the penalty as such, where the seller was innocent of wrongdoing, which is unjust and works hardship.

Every city has a number of high-class retail stores which have built up an enviable reputation for honesty and square dealing. A $50 penalty in such cases would mean very little as one of the daily cash transactions. But the store might be damaged thousands of dollars by the circulation of the information that a penalty had been enforced for overcharging a customer.

My amendment is simple American justice, and I hope it will be adopted.

Mr. MURPHY. Mr. Chairman, I rise in support of the substitute amendment offered by the gentleman from Massachusetts.

Recently a committee of the commercial association back home called on me. I have had more telegrams from leading merchants back home on this proposition than on anything else since I became a Member of this distinguished body. I told them I would speak on the floor of the House about this proposition, and I am going to use a few minutes to do so.

Over in the Senate an amendment sponsored by the distinguished gentleman from Kentucky, Senator CHANDLER,

and the distinguished gentleman from Massachusetts, Senator WEEKS, was adopted along lines similar to that of the amendment offered by the distinguished gentleman from Massachusetts, Congressman GOODWIN. That amendment had for its purpose freeing merchants of punitive damage liability in consumer civil suits if they could show the overcharges were unintentional.

I realize the unfairness of not having the tools with which to enforce the law. When you generalize, sometimes you punish the good to restrain the wicked. Fundamentally it is a matter of sensible, discreet administration to punish the willful, wicked violator, not the unintentional violator. I believe with proper measures of discretion the bill as amended can be enforced justly, fairly, and equitably. I do not believe it will deter the O. P. A. from proper enforcement. It will not excuse the willful violator. I have made a check in my district and I find that the cases where there have been penalties inflicted were those involving willful violators. I do not believe the amendment will deter enforcement if properly administered. It ought to be a good change and would protect the honest merchant. I will, therefore, vote to support it.

Mr. OUTLAND. Mr. Chairman, I rise in opposition to the substitute amendment offered by the gentleman from Massachusetts.

It seems to me that, while it does make certain changes in the original amendment now pending, it contains the same principle, namely, the matter of intent. When the Committee on Banking and Currency was considering improvements on the present bill it went into a great many of these proposed changes. The change that is advocated in this amendment was brought up and finally ruled out by the committee. Such change would hurt rather than benefit the price-control program.

Mr. Chairman, I ask that the amendment be voted down.

Mr. GWYNNE. Mr. Chairman, I rise in support of the substitute amendment. I believe the adoption of that amendment or even of the amendment offered by the gentleman from Arkansas would do more to remove the criticisms and the objections to the enforcement of O. P. A. regulations than any amendment that has been heretofore offered.

I cannot agree with my friend from Michigan [Mr. WOLCOTT] that this has to do with some civil suit for damages. This is a provision for the collection of a penalty, a thing which every court will tell you is at least of a quasi-criminal nature.

What is the situation today? If you violate some regulation, even though the violation may be technical and minor, they can bring you into court and, regardless of your carefulness and regardless of your lack of willful intent, punish you for violation of the regulation.

What does this amendment do? The law would be the same, the procedure would be the same, except that when the defendant was brought into court charged in this quasi-criminal action he would be allowed to prove, if he could prove it, two things: First, that he had not acted willfully, and second, that he had not been negligent in taking practicable precautions against the occurrence of the violation. In other words, if he could show that he had cooperated honestly, then he would be excused from the penalty but would be required to pay the overcharge.

Mr. Chairman, where have we gotten to in this country? I read the other day a statement by some enforcement officer of the O. P. A. who said that if the privilege is extended to the innocent man to come into court with his head up like a free American and prove that he is innocent, they cannot enforce the law.

I have been a prosecutor in my day. I have heard that same argument many times from State agents and from Federal agents. It usually comes from someone who lacks the ability and the knowledge of the law to enforce the law in accordance with constitutional safeguards.

Even with this amendment, look how this differs, for example, from the right of a defendant if he were charged with some minor crime like murder or treason. If he were charged with one of those minor offenses, the Government would have to prove each and every element of the case, willfulness, everything. The defendant would need to prove nothing. If I kill a man with my automobile and his estate sues me for damages, unless they prove that I did not use reasonable care they have no case against me. There is no liability unless negligence is proved; and the plaintiff has the burden of proving it.

But these O. P. A. regulations are put on an entirely different basis. I am amazed at the attitude that has been expressed here by some people. I thought we were fighting a war to retain constitutional government and the right to get into a court. If the people we have enforcing the law cannot enforce it in recognition of those constitutional safeguards for which we are fighting, let us have someone else do it.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE. I yield to the gentleman from Indiana.

Mr. HALLECK. I have given considerable thought and study to the amendment offered by the gentleman from Massachusetts [Mr. GOODWIN] which the gentleman from Iowa is now supporting. I support the amendment. I think it is entirely justified and necessary, and I believe it should be adopted.

Mr. GWYNNE. I thank the gentleman. This is what the amendment will do. It will not interfere with the enforcement of the law against a criminal but it will protect the innocent man; that is all.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Massachusetts [Mr. GOODWIN].

The question was taken; and on a division (demanded by Mr. MONRONEY), there were—ayes 81, noes 58.

Mr. SPENCE. Mr. Chairman, I ask for tellers.

Tellers were ordered and the Chairman appointed Mr. MONRONEY and Mr. GOODWIN to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 111, noes 72.

So the substitute amendment was agreed to.

The CHAIRMAN. The question is on the amendment as amended by the substitute.

The amendment, as amended by the substitute, was agreed to.

The CHAIRMAN. Are there any other amendments to be offered to section 7?

Mr. O'HARA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA: At the end of section 7, line 21, page 20, insert:

"(c) It shall be an adequate defense to any suit or action brought for alleged violation of any regulation, order, or price schedule prescribing the maximum price or maximum prices if the defendant proves that he did not receive a higher percentage of margin from the sale of a commodity or commodities than he received from the sale of the same commodity or commodities or for the most comparable commodity or commodities as the term 'most comparable commodity' may be defined by the Administrator during the base period prescribed by the price regulation, order, or schedule, or if no such base period is specified, during the period from January 1, 1942, to March 31, 1942."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. O'HARA].

The amendment was rejected.

Miss SUMNER of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Miss SUMNER of Illinois: On page 19, line 19, after the period strike out down to the period on line 4, on page 20; on line 5 strike out the word "either" and the words "or the Administrator, as the case may be"; and in line 13, page 20, strike out down to line 21.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Illinois.

Mr. SMITH of Virginia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SMITH of Virginia. I inquire to understand what that amendment is about. Is that the amendment which prohibits the Administrator from suing for these penalties?

The CHAIRMAN. The gentleman is not stating a parliamentary inquiry. Debate on the amendment on this section has been exhausted.

Mr. SMITH of Virginia. Mr. Chairman, then I submit this parliamentary inquiry: Is there any parliamentary method by which the committee can be given to understand what the amendment does?

The CHAIRMAN. That can only be done by unanimous consent.

Mr. SMITH of Virginia. Mr. Chairman, I ask unanimous consent that the gentlewoman from Illinois be given 5

minutes in which to explain her amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. SMITH]?

Mr. OUTLAND. Mr. Chairman, I object.

Mr. SMITH of Virginia. Mr. Chairman, I ask unanimous consent that the gentlewoman from Illinois [Miss SUMNER] be given 2 minutes in which to explain her amendment.

Mr. O'BRIEN of Illinois. Mr. Chairman, I object.

Miss SUMNER of Illinois. Mr. Chairman, I ask unanimous consent that I be given 1 minute.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Illinois [Miss SUMNER]?

Mr. O'BRIEN of Illinois. Mr. Chairman, I object.

Miss SUMNER of Illinois. Mr. Chairman, I ask unanimous consent that I be given half a minute.

Mr. O'BRIEN of Illinois. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The question is on the amendment offered by the gentlewoman from Illinois [Miss SUMNER].

The question was taken; and on a division (demanded by Mr. OUTLAND) there were—ayes 64, noes 84.

Miss SUMNER of Illinois. Mr. Chairman, I ask for tellers.

The CHAIRMAN (after counting). Thirteen Members have arisen; not a sufficient number.

So tellers were refused.

So the amendment was rejected.

The CHAIRMAN. Are there any other amendments to section 7?

Mr. CALVIN D. JOHNSON. Mr. Chairman, I offer an amendment that is a new section to follow section 7.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Provided further, That as to any powers and functions relating to priorities or rationing conferred by law upon any other department or agency of the Government with respect to any particular commodity or commodities, transferred to the Office of Price Administration pursuant herewith, no order or orders suspending a person, firm, or corporation from operating a profession, trade, or business shall become effective until after proper judicial hearings in a district court of the United States having jurisdiction, and the presentation of all cases under this act involving suspension or penalty on behalf of the Federal Government shall be by the several district attorneys of the United States, in their respective districts, under the direction of the Attorney General.

Mr. CALVIN D. JOHNSON. It is not my intention to delay the House discussing this amendment. My purpose in presenting it for study is to ask a few questions. I am under the impression that the amendment which was introduced a short time ago by the gentleman from Michigan [Mr. WOLCOTT], and adopted by the Committee, will guarantee a review in court for anyone charged with a violation prior to the time his license is revoked or his business suspended. May I ask the gentleman from Michigan, if that is correct?

Mr. WOLCOTT. Yes; I know that it will if the license is sought to be taken from him for a violation of a regulation, order, or price schedule issued under the Price Control Act. But my amendment would not compel a review in the courts for any withdrawal of any permission to sell allocated or rationed goods under the War Powers Act. I want to make it clear that I am not trespassing upon the powers contained in the War Powers Act, in respect to rationing.

Mr. CALVIN D. JOHNSON. One of the foundation stones of democracy has been the right of the individual to operate a private enterprise. I think it comes second only to the home. What my amendment does is to make it definite that before a man's business can be closed, and before he can be deprived of the right of a livelihood he must be given his day in court, which is a heritage that every American feels he should have. It has nothing whatsoever to do with rationing. It does not take from the War Powers Act or the O. P. A. any authority which they have at the present time, but it does give a man an opportunity to appear in the United States district court in defense of his business before he is deprived of the right to a livelihood. I feel the amendment is good. It makes court procedure definite before the doors of a business are closed. I ask the House to pass the amendment.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. CALVIN D. JOHNSON. I yield.

Mr. CRAWFORD. Does the amendment which the gentleman has offered apply to the proceedings carried on in the Office of Administrative Hearings, set up within the Office of Price Administration, for the purpose of dealing with violation of price orders, or does the amendment apply only to violations of price-ceiling orders?

Mr. CALVIN D. JOHNSON. It would apply to any order by which a man's business was ordered closed, and the only effect would be that the day the order was issued by the rationing authority he would have an opportunity to go into court and defend himself.

Mr. CRAWFORD. In other words, your amendment applies, whether it applies to violation of rationing or violation of price ceilings under the O. P. A. Act?

Mr. CALVIN D. JOHNSON. It would. It would give a man charged with a violation an opportunity to present his defense in a United States district court.

Miss SUMNER of Illinois. Will the gentleman yield?

Mr. CALVIN D. JOHNSON. I yield.

Miss SUMNER of Illinois. At present the only way they can get into district court is by injunction. How does your amendment change that?

Mr. CALVIN D. JOHNSON. This amendment makes it definite that the United States district court is where the order shall be filed that the business be suspended.

Miss SUMNER of Illinois. You mean that immediately after the order by the O. P. A., the Commissioners have to record it in the district court?

Mr. CALVIN D. JOHNSON. Yes. They would have to file the proceedings there, and the district court would be the one to say whether or not the business is suspended.

Mr. VOORHIS of California. Will the gentleman yield?

Mr. CALVIN D. JOHNSON I yield.

Mr. VOORHIS of California. The gentleman's amendment would affect only cases of suspension?

Mr. CALVIN D. JOHNSON. The gentleman is absolutely right. Only cases of suspension.

Mr. WOLCOTT. Does the gentleman intend to press his amendment?

Mr. CALVIN D. JOHNSON. Yes; I do.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WOLCOTT. Mr. Chairman, I wish to comment on the amendment.

The only thing that makes this amendment germane at all are the words "transferred to the Office of Price Administration pursuant herewith." This has to do with rationing functions, which I have stated, are under the War Powers Acts. There is nothing in this amendment which so amends the War Powers Acts as to prohibit the President or anyone acting for him, from transferring those functions from the O. P. A. to some other agency. Now, as a matter of fact I am in sympathy with what the gentleman wants to do in his amendment, but it cannot be done in this way. There is not any license, under the War Powers Act, to do any business, or in respect to a trade or profession. The merchant is given permission to sell an allocated or rationed commodity. For a violation the O. P. A. may deny to a merchant the privilege or permission to sell rationed goods. They are denied the right under the War Powers Act, to deal in allocated goods. If the seller does not observe the conditions under which commodities are allocated, then O. P. A. may take away from you the permission to sell allocated goods. The Supreme Court last week held they had authority to do that.

The only way to take from them that authority is to amend the War Powers Act. I think probably the gentleman's amendment could be interpreted only as a declaration of policy. The amendment I offered and which has been accepted does something very specifically to correct the abuses to which the gentleman refers. It gets rid of the kangaroo courts in respect of price control.

Mr. CALVIN D. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. CALVIN D. JOHNSON. I am hopeful the gentleman is correct, but regardless of what they call it it operates to put people out of business.

Mr. WOLCOTT. The withdrawing from him of the permission to deal in rationed goods may result in putting him out of business to be sure.

Mr. CALVIN D. JOHNSON. If he had an opportunity for a review in court

there is a possibility that the court would prevent the withdrawing of the rationed articles.

Mr. WOLCOTT. It would take an amendment of the War Powers Act to do that.

Mr. CALVIN D. JOHNSON. My amendment refers to any authority. It is possible to change the entire O. P. A. procedure over rationing by virtue of the authority provided by other acts.

Mr. WOLCOTT. O. P. A. operates with respect to rationing under the War Powers Act, and O. P. A. operates under the War Powers Act merely because it is designated by the President as the agency to administer rationing. The President could take rationing away from O. P. A. and give it to any other administrative agency. To effectuate the purpose of the amendment, the War Powers Act must be amended.

Mr. CALVIN D. JOHNSON. Does not the gentleman agree that the first paragraph of this amendment relative to the transfer of authority covers that?

Mr. WOLCOTT. If it does, I believe it would not be germane to this bill.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

The Clerk read as follows:

SEC. 8. The second sentence of the first section of the Stabilization Act of October 2, 1942, as amended, is amended to read as follows: "The President shall, except as otherwise provided in this act, thereafter provide for making adjustments with respect to prices, wages, and salaries, to the extent that he finds necessary to aid in the effective prosecution of the war or to correct gross inequities: *Provided*, That no common carrier or other public utility shall make any general increase in its rates or charges which were in effect on September 15, 1942, unless it first gives thirty days notice to the President, or such agency as he may designate, and consents to the timely intervention by such agency before the Federal, State, or municipal authority having jurisdiction to consider such increase."

The CHAIRMAN. Are there any amendments to section 8?

Mr. MILLER of Connecticut. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed out of order for 3 minutes to make an announcement which I believe will be of considerable interest to the Membership.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MILLER of Connecticut. Mr. Chairman, I hesitated to ask unanimous consent to address the House out of order at this time, as I realized we are all anxious to complete debate on the O. P. A. bill. I appreciate the generosity of the House in granting me this time.

I take this few minutes only because I think the subject I wish to discuss is of interest to every Member of Congress.

This noon we unanimously adopted the conference report on the G. I. bill. Under the parliamentary situation that existed it was impossible to make any comment on the changes made in the House bill by the conferees. I am not criticizing the procedure that was followed as I realize the importance of getting the G. I. bill to the President's desk at the earliest possible moment.

Few Members realize that the conferees accepted language that was in the original bill, S. 1767, that makes all the benefits provided for in this legislation available to men and women who have not served honorably during this war. This is done by the language found in each title of the bill that provides as follows:

That any person who served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or relieved therefrom under conditions other than dishonorable.

Under that language all those who enlisted fraudulently and were later discharged by the Army are entitled to the benefits provided for in this legislation. Those who enlisted fraudulently by failing to disclose that they had previously been convicted of a felony will now be eligible for benefits.

We must face the fact that there have been thousands of men inducted into the Army and Navy who had no desire to serve. Some of these people simply refused to become good soldiers. They are what we have commonly called goldbricks. In many cases the commanding officer tried every means at his disposal to make a good soldier out of the man. Finally, when he was convinced that the man never would be any help to the war effort, he ordered the soldier discharged under what we know as a section 8 discharge, which is neither an honorable nor a dishonorable discharge.

Certainly it was not the intention of Congress to provide benefits for those who were guilty of "gold bricking."

Colonel Carpenter, representing the War Department General Staff, appeared before the House Committee on World War Veterans' Legislation and discussed this proposed language at quite some length. His testimony may be found in the report of the hearings on pages 293 to 297. On page 295 Colonel Carpenter says:

Just to clarify the point, and I have talked this over with a number of people interested in the bill, there are a number of cases other than not the right age for which a discharge can be given administratively. For instance, if a man has two left feet. There are some of them in the Army who never find out they have got a right foot. The Army says to him, "Son, we can't use you." That is not dishonorable. If he has traits of character—a homosexual, for instance—then he gets a blue discharge. That is not under honorable conditions. If he has been convicted by a civil court of a crime, he gets a blue discharge. That is not under honorable conditions.

All I can say is I do not believe men serving in the Army want to feel when they get out they will be treated the same as men convicted of a crime, who have traits of character and who on purpose have not been good soldiers.

On page 296:

Mr. ALLEN. You are proposing only those receiving a white discharge be included to get the benefits of this bill?

Colonel CARPENTER. That is right.

Mrs. ROGERS. It would seem to me wrong to give a man a blue discharge for mental reasons.

Colonel CARPENTER. Mrs. ROGERS, that man does not get a blue discharge. He gets an honorable discharge.

There is less justification for the adoption of this new language in veterans' legislation than ever before, due to the fact that section 301 of the G. I. bill provides for the creation of a special board to correct any mistakes that may be made by the Army and Navy in issuance of discharges. This board is empowered to grant a man an honorable discharge who may have been given a section 8 discharge through error.

Several people have asked how the American Legion feels about this language with reference to the type of discharge. I cannot speak for the Legion, but I call attention to the fact that an honorable discharge from service is absolutely necessary before a person may become a member of the American Legion.

I call the situation to the attention of the House now and want to announce that just as soon as the President signs the G. I. bill I am going to ask the House to reconsider this matter, because we did not have an opportunity, in passing the conference report, to consider it. I will immediately introduce legislation that will make it mandatory that a man or woman must have received an honorable discharge from the Army or Navy in order to receive benefits under this legislation.

Under the language as accepted by the conferees, there are actually thousands of men, who will receive benefits, who have contributed nothing to the war effort, they were no good to the war effort, no good to their country, and, unfortunately, in many cases no good to themselves.

I urge the Members of the House to look into this matter, read the hearings to which I have referred, and support my effort to have this mistake corrected at the earliest possible date.

It is undoubtedly true that some men have been given section 8 discharges who should have received honorable discharges. Those mistakes can be corrected without opening the doors to the thousands who have no entitlement to benefits from the Federal Government.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Connecticut. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman knows there were hundreds of cases of discharges during World War No. 1 where men received a so-called blue discharge, saying they were not fit for service. Many of them we know were issued in error and did great injustice. It was the consensus of the entire committee and of the conferees of the Senate that such cases of injustice should be corrected.

Mr. MILLER of Connecticut. That is all very well, but any mistakes can be corrected under procedure which was set up in the bill providing for a review of such cases. I do not believe Congress

intended to open the doors to those who refused to render honorable service. According to testimony of the War Department, thousands of men have been let out under section 8 who were no good to the war effort, no good to themselves or their country. The House committee struck this objectionable language out of the bill on the recommendation of the War and Navy Departments, but it was put back in the bill in conference, and I fear it is going to discredit the bill and do real harm, serious harm, to the deserving war veterans.

Mrs. ROGERS of Massachusetts. I would rather take the chance so that all deserving men may get their benefits.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. MICHENER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, for 40 long days the Committee on Banking and Currency has given consideration to these amendments to the Emergency Price Control Act. Every group was permitted to present its complaint to the committee, and these complaints and proposed amendments constitute a volume of 2,300 pages of printed matter.

The House for 6 long days has debated the bill and considered proposed amendments. I think there is general unanimity of opinion as to these conclusions:

First. The over-all effect of the O. P. A. law has been of value to our people.

Second. Price control must be continued throughout the war.

Third. Price control, regimentation, and incident regulation must be discontinued just as soon as the economy of the country will permit.

Fourth. The bill now before us is far from perfect, but is better than the law as now written.

Fifth. It is practically impossible to embody in any law all of the desires of the 435 Members of Congress. We each come from different constituencies and our problems are consequently varied. Therefore, most legislation in its final draft is a compromise or a give-and-take proposition. Since I have been in Congress I have voted for few bills that suited me exactly. The same is true of the other members.

Now, if we are all agreed that price control should be temporarily continued, then two options are open to us:

(a) Extend existing law without any change at all, or

(b) Amend existing law to make it more workable.

There should be no choice between the two alternatives.

The value of any law depends upon the manner in which it is administered. The real trouble with the price-control law is the way it has been administered. In the debate on the floor of the House on November 28, 1941, when the original bill was up for consideration, I said:

> Much has been said in this debate about Leon Henderson, the President's Price Control Administrator. It is also true that many of our people believe that Mr. Henderson as Price-Control Administrator would, at the end of the war, be very reluctant to yield up any powers given to him as the Administrator by this legislation. The fact that he is so impregnated with the New Deal philosophy of making the country over and changing our social system, leads many to believe that he is more interested in permanent control and regulation over our economic life than he is in an emergency anti-inflationary measure.

Well, Mr. Henderson was made the Administrator and surrounded himself with a group of impractical, theoretical reformers, many of whom in my judgment attempted to carry out my prediction as to what would happen. There came a time when even the President recognized the necessity for a change, and former Senator Prentiss Brown was substituted for Henderson, for the purpose of humanizing the administration of O. P. A. Mr. Brown undoubtedly tried, but he was so handicapped by the crowd around him that nothing was accomplished, and he gave up in disgust. Next came the present Administrator, Chester Bowles. He has had a terrible job. However, conditions have been improved and the airing here of the ridiculousness of many of the regulations will be most helpful to him.

Mr. Chairman, people must realize that without some kind of price control there would be run-away inflation, and no one would suffer more than the middle class, to which most of our people belong. We spent only $26,000,000,000 in the First World War. Prices went sky high. Before this war is over we will have spent $300,000,000,000. Turning this amount of purchasing power loose in the country would bring unthought-of inflation. Therefore, there must be price control. It is silly to say that the law has been so well administered that it should not be amended. It is just as silly to say that the law can be made perfect. The Congress is not equipped to write all the rules and regulations covering the thousands of items on which ceiling prices must be placed. Rigid, fixed rules written into law would lack the flexibility necessary to accomplish the purpose of the law.

In short, Mr. Chairman, we should be realists here today. Price control must not be destroyed now. The law expires on June 30 next and unless the Congress has taken action by that time, it will be necessary to pass a resolution continuing the law without the beneficial amendments provided in this bill. Of course, those who are opposed to any amendments would prefer this course. The House, by loading this bill up with all kinds of amendments, is just acquiescing in the desires of that group opposed to any changes. Let us be reasonable and assist the committee in securing as many beneficial amendments as possible. This is a practical situation with which we are confronted.

Many small businessmen, many farmers, many consumers, and people in all walks of life in my community have suffered personal inconvenience from the effects of price control and rationing. I hail the day when this terrible war will be behind us. I sincerely believe that when that day does come the people's representatives in Congress will see to it that unnecessary regulation, control, and regimentation are removed and that we revert to a Government of law made by the Congress rather than a law of men by executive and bureaucratic fiats. For one, I am prepared to make that fight, because if this course is not pursued the freedoms and liberty, and the type of Government we have always enjoyed will be but a memory. God save the day!

This is a momentous year in our history. The power of decision still rests with the people. Elections are still held in America. If it is the obligation of our boys to die on the battle front, it is certainly our duty on the home front to go to the primaries and the elections and do our part in maintaining democratic government, at home.

The Clerk read as follows:

> SEC. 9. The first proviso contained in section 3 of such act of October 2, 1942, as amended, is amended to read as follows: "*Provided*, That the President shall, without regard to the limitation contained in clause (2), adjust any such maximum price to the extent that he finds necessary to correct gross inequities; but nothing in this section shall be construed to permit the establishment in any case of a maximum price below a price which will reflect to the producers of any agricultural commodity the price therefor specified in clause (1) of this section."

Mr. BROWN of Georgia. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

> Amendment offered by Mr. BROWN of Georgia: On page 21, in line 11, after "9", insert "(a)", and after line 20, insert the following subsection:
>
> "(b) Section 3 of such act of October 2, 1942, as amended, is amended by adding at the end thereof the following new paragraph:
>
> "'Any maximum price established or maintained under authority of this act or otherwise for any textile product processed or manufactured in whole or substantial part from cotton or cotton yarn shall not be less for any specific textile item than the sum of the following: (1) the cost of the cotton or yarn involved, plus the cost of delivery of such cotton or yarn to the point of processing or manufacturing, as determined by the War Food Administrator, (2) a generally fair and equitable allowance for the total current cost of whatever nature incident to processing or manufacturing and marketing such item, and whenever the Chairman of the War Production Board has determined such item to be necessary for the war effort or the maintenance of the civilian economy, such allowance shall be computed at a uniform figure that will cover such total current costs in the case of any manufacturer or processor among the manufacturers or processors of at least 90 percent by volume of such item, and (3) a reasonable profit on such item, in addition to the costs computed as provided in clauses (1) and (2). The maximum price established for any textile item under this act or otherwise shall be adjusted to the extent necessary to conform with the requirements of this paragraph within 60 days after the date of its enactment. For the purposes of this paragraph, the cost of any cotton shall be deemed to be not less than the parity price for such cotton (adjusted for grade, location, and seasonal differentials); except that for the 60-day period beginning 120 days after the date of enactment of this paragraph, and for each subsequent 60-day period, if the actual current market value of such cotton at the beginning of such period is lower than such parity price.

the cost of such cotton during such 60-day period shall be deemed to be the actual current market value at the beginning of such period, and whenever a change is made in such cost of cotton a corresponding change shall be made in the maximum price for each specific textile item. Whenever the maximum price established for any item to which this paragraph is applicable is in excess of a price which in the judgment of the Administrator is generally fair and equitable and is also in excess of the lowest maximum price which could be established therefor in accordance with the foregoing provisions of this section, the Administrator may reduce the maximum price for such items to a price which in his judgment will be generally fair and equitable, except that such maximum price shall in no event be reduced to a price lower than the lowest maximum price which could be established therefor in accordance with the foregoing provisions of this section or be reduced to a price which will impede the effective prosecution of the war or the maintenance of the civilian economy. Whenever the maximum price established for sales at any subsequent level of manufacture, processing, or distribution of any commodity which is constituted in whole or substantial part of any textile item is in excess of a price which in the judgment of the Administrator will provide a generally fair and equitable margin at such level of manufacture, processing, or distribution, then the Administrator may reduce such maximum price to any price which in the judgment of the Administrator will provide a generally fair and equitable margin at such level.'"

The CHAIRMAN. The gentleman from Georgia [Mr. BROWN] is recognized for 5 minutes in support of his amendment.

Mr. MONRONEY. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia [Mr. BROWN] may be given an additional 5 minutes. He is the ranking Member on our side in the committee, he has studied long on this proposition, it is one of the most important things in this bill, and I believe he is entitled to an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma [Mr. MONRONEY]?

There was no objection.

Mr. BROWN of Georgia. Mr. Chairman, the purpose of this amendment is to secure parity prices for cotton and also to secure the production of cotton goods necessary for the people of our country and for our Army and Navy. I expect to produce evidence to show that on the counters and in the stores of the large cities and the towns of this country there are not cotton goods for sale that the great masses of the people wear. If I show that, and then that my amendment will bring to this country material of that kind without increasing the cost of living, and, at the same time, will attain parity prices for cotton, I have a right to ask Members on both sides of this aisle to support my amendment.

I expect to produce evidence from a witness to show that my amendment will not cost the consuming public a dime. I expect to bring forth this witness from the O. P. A. itself, a man who is the head of the Cost Accounting Division on textiles, a man who knows all about textiles, a man who is pointed out to those who want to know anything about textiles and cotton goods, a man selected by Mr. Bowles himself to go to the Senate and advise on the so-called Bankhead cotton amendment. I have not built him up. The O. P. A. built him up. They still have him. He is the one man in O. P. A. who has had actual cotton textile experience and who knows the real problems created by present maladjustments in the textile ceilings.

Mr. Chairman, we tried to get the O. P. A. to agree to correct by administrative action the inequities in their cotton textile ceilings, and we did that because we knew the difficulties of attempting to correct them by legislation, but they flatly refused to do this. Therefore, our only course is to force them to correct these inequities and carry out the will of Congress as stipulated in the Price Control Act by spelling out a formula that they must follow in setting cotton textile ceilings—a formula that will prevent the O. P. A. from setting any cotton textile ceiling that will depress the price of cotton to the farmer below parity and that will prevent the O. P. A. from setting ceilings on desperately needed cotton goods below the mills' actual cost of production plus a reasonable profit. In addition, my amendment gives O. P. A. authority—which I believe, though some question that, they have now but have not exercised—to lower any ceilings on goods produced by the mills that are too high. My amendment goes ever further and gives O. P. A. authority to lower ceilings, right down to the retail level, on the wearing apparel and other articles made from the goods produced by the mills, when such ceilings are excessive.

Thus, if O. P. A.'s statement is true that the over-all ceiling structure will permit mills to pay the farmer parity for cotton, then it is perfectly obvious that by pulling down the ones that are too high and raising the ones that are too low, the cost of living will not be increased at all.

The law of the land gives cotton and other basic commodities the right to parity. There is no ceiling on raw cotton and there cannot be any ceiling on raw cotton because there are more than 600 different grades and staples of cotton which make a ceiling on raw cotton an administrative impossibility. Therefore, the price of raw cotton is controlled by the ceiling which is imposed on cotton goods. The ceilings on some types of cotton goods are too high, and if the mills producing these goods are making six or seven times as much now as they did in former years, my amendment is so drawn so as to bring those ceilings down. On the other hand, on those kinds of cotton goods where the present ceilings are not adequate to cover the actual cost of production, including a parity cotton price to the farmer, my amendment would force O. P. A. to take a realistic view of the situation and raise those ceilings to a level that will get the production that is so sorely needed for the war effort and our civilian economy. One of the real tragedies of this situation is that the types of goods that are most scarce are those needed by the working people and the poor people of this country for clothing and household necessities. If my amendment becomes law and is properly administered by the O. P. A., the farmer will get parity for his cotton; the people of America will get the cotton goods they need; the excessive mill profits, about which the O. P. A. talks so much but about which they have done nothing, will be reduced; and the cost of living will not only not be increased but will be materially reduced.

Some have said, "Oh, your scheme will not work." I have a formula in this amendment that will work. My formula does what? First, my formula would require the O. P. A. to consider each individual textile item, each different kind of goods, instead of continuing their present policy of dealing with cotton textiles as a whole. This policy of considering cotton textiles as a whole and attempting to strike an average on production costs for the whole industry is utterly ridiculous and is the most fundamental error in O. P. A.'s present pricing policies. What difference does it make to a mill that is below the average and is losing money whether other mills are above the average and making too much money? All he is concerned with is that he is losing money on the goods he is producing and therefore he must curtail his production or quit entirely. Or, in the case of a mill that is making several different kinds of cotton goods, some of which he can make at a profit and others of which he can make only at a loss because of O. P. A.'s ceilings, do you think that mill is going to continue the production of those items that are losing him money when he can switch his production over to only those items on which he can make a profit? Anyone with an ounce of practical business experience knows there is only one answer to these questions. But the professors of economics who set the pricing policies of O. P. A. have never had any practical business experience. Hence they set up this general average pricing policy for the cotton textile industry considered as a whole. It is this policy that is the root of our present difficulties, and it is this policy that must be changed and would be changed by my amendment to require O. P. A. to figure the ceiling on each textile product on its own basis and make each item stand on its own bottom.

My formula, applied to each textile item, would require O. P. A. to figure the mills' actual costs of production on that item. It starts out with parity price to the farmer on the cotton plus the cost of delivering it to the mill. To this cotton cost is added the manufacturing cost on the basis of what it now is, instead of what it was 2 years ago when the present textile ceilings were set. And to these two items of cost would be added a reasonable profit. The War Food Administrator would determine the parity cotton cost and the O. P. A.'s Accounting Division would determine the manufacturing cost, as well as what is a reasonable profit.

There is one factor in my formula that deserves special attention—that is the manufacturing cost. We all know that this cost varies among the different mills

making the same kind of goods. Some are more efficient than others. Practically all cotton textiles are scarce and desperately needed so the original Bankhead amendment in the Senate provided that the manufacturing cost in the textile ceiling must be set at a figure that would cover the manufacturing cost and hence obtain maximum production from the mills making at least 90 percent of each kind of cotton goods. O. P. A. raised strenuous objection to this. They said that to allow a manufacturing cost that would take into consideration the costs of mills producing 90 percent of each kind of cotton goods would create inflation. For that reason I changed my amendment so that the 90-percent factor would be applicable only when the Chairman of the War Production Board certifies that the item is essential for war or civilian needs. Certainly O. P. A. cannot contend with any sort of reason that if Donald Nelson says a textile item is critical, that we should not have 90 percent of the productive capacity producing that item.

In a conference with Mr. Brownlee and other gentlemen from O. P. A., to discuss the serious cotton textile situation, and after they had expressed disapproval of my proposed amendment, I said, "Well, then, give me your solution. Mr. Bowles and you both testified that you wanted to adjust the ceilings so they would bring parity to the cotton producers of this land. What is your solution?" I said, "I want to be fair with you—draw it up yourself. Give us a solution that will bring parity to cotton producers. We are not trying to change parity. We are trying to reach parity."

I do not say that they insisted upon it, but here is what their attorney drew up and I want to read it to you. Listen to this.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. MONRONEY. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia may have an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BROWN of Georgia. The cotton growers of this country are not asking for a subsidy. You have it for meat. You have it for milk. You have it for butter. I voted for an amendment the other day to see that the processor had it sent on to the producer.

Here is the amendment written by one of the O. P. A. attorneys:

> No person shall buy cotton from the producer thereof at a price less than the parity price established therefor plus the cost of delivery of such cotton to the point of delivery thereof. The payment of any lower price shall constitute a violation of the Emergency Price Control Act, as amended.

When parity is published monthly, and when there are over 600 different classifications of cotton with almost as many different values, when a man can be sued for triple damages and put in jail for violating O. P. A. directives, who in the name of thunder would buy a pound of cotton under such a regulation? And furthermore, when O. P. A. admits that many mills making desperately needed goods are now going out of production because of improper ceilings, how could we hope to increase production by adding to the mill's cotton cost without any adjustment in the ceiling on his goods? That is not the solution. The solution is embodied in my amendment.

I read now, to carry out my point, from a letter written to Senator TAFT by Mr. York Wilson, the man mentioned earlier, who is head of the accounting section in the Textile Division of O. P. A. Mr. Wilson wrote Senator TAFT to answer some questions posed by the Senator regarding the Bankhead amendment, which amendment, as finally passed in the Senate, embodies the same formula and same principle as mine. I quote as follows:

> 1. Question. Are the mills earning sufficient over-all profits to pay parity for cotton and still make profits above those to which they were accustomed in peacetime?
>
> Answer. Yes, if the profits on rayon, and on dyeing, bleaching, and finishing and military purchases are taken into account.
>
> 2. Question. Will the amendment increase their profits to 20 percent on sales or 52 percent on net worth, as is stated in the minority report in S. 1764?
>
> Answer. If properly administered, the amendment will not increase mill profits 1 cent. * * * If the textile items that reflect less than parity are raised in accordance with the Bankhead amendment and those that are too high are reduced as they should be reduced, there will be no increase in over-all costs.

In view of these statements by the chief of O. P. A.'s own Textile Accounting Division, how can the statements of Mr. Bowles, Mr. Vinson, and others that this amendment would increase the cost of living and increase mill profits possibly be justified?

The W. P. B. has been working for months with the O. P. A. to meet this critical cotton textile situation. Only day before yesterday a release appeared in a Washington paper from which I quote as follows:

> The War Production Board last night assigned urgency ratings to all cotton textile mills, in a further move to speed production of fabrics for the armed forces and ease the shortage of low-cost civilian clothing.

We must realize that we are facing a drastic situation with respect to clothing, and upon this Congress rests a responsibility to do something about it. The Bankhead amendment, as amended and passed in the Senate, and my amendment are substantially the same, and the leadership among cotton producers and textile mill operators tell us that these amendments will be a major factor in correcting the untenable situation that now exists.

This amendment provides the way out of a difficult and a desperate situation. This is the only way you can reach the problem. I have been fair and straight.

I am looking at this from the standpoint of the national welfare. My amendment will bring to the cotton farmer parity, I hope, and at the same time it will put upon the shelves of the merchants of this country the low-cost materials they must have for the masses of the people of this country.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Michigan.

Mr. CRAWFORD. At the proper time I propose to offer the following amendment to the gentleman's amendment:

> In the case of any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity, within 60 days after the enactment of this act and thereafter, it shall be unlawful to establish or maintain a maximum price on any such agricultural commodity or on any commodity processed in whole or substantial part from any agricultural commodity, which will reflect to the producers of such agricultural commodity a price lower than the price standards established by section 3, section 8, and section 9 of the act of October 2, 1942 (Public Law 729, 77th Cong.).

That was the Stabilization Act. I think this amendment will strengthen the gentleman's amendment.

Mr. BROWN of Georgia. I understand the amendment and will be glad to accept it, because I think it will strengthen my amendment. It will provide protection for all agricultural commodities.

Going back to parity, what does it mean? I refer you to my speech before this House on last Thursday in which I pointed out that O. P. A.'s own figures reveal that they are not now figuring cotton costs in their ceilings at parity despite the fact that the existing law specifically requires them to do so. For example, present parity price for Middling 15/16 cotton delivered to the mills in the Carolinas is 23.38 cents per pound. Yet the figures secured from O. P. A. reveal that in some of their ceilings the cost allowed for this type of cotton is only 21.47 cents per pound, or almost 2 cents per pound—$10 per bale—below parity. In no case are the cotton costs set up on a parity basis. This is inexcusable and I believe you will agree, makes mandatory some sort of corrective action by Congress. How can we hope for cotton to go to parity under such a system as now exists?

Under my amendment the ceilings will be based on parity prices for cotton. To make it fair to everyone concerned—farmers, mills, and the consuming public—my amendment provides for an escalator clause. Under this clause ceilings are set based on parity. They stay that way 60 days. Then if the mills are not paying parity to the farmer, the ceiling is reduced in line with the market. Thenceforth the ceilings work up and down with the price of cotton, but in no case do they go above the maximum provided in the Price Control Act. What does this mean? It means that if the farmer does not get parity, the mills' ceiling is reduced and the consumer gets the benefit. It also means that the ceilings would not prevent the farmer from getting parity, as is now the case. Could anything be more fair to everyone concerned? Could anything be a more honest approach?

Mr. Chairman, you cannot discuss a matter like this within 15 minutes. I do not see any other solution.

What I am after in this amendment is to get production of the critical materials the public needs. The Navy has called for 30,000,000 chambray shirts and cannot get them. If you adopt my amendment we will get production, and I believe we will get cotton prices to parity.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. SPENCE. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 45 minutes.

The motion was agreed to.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H. R. 4941) to extend the period of operation of the Emergency Price Control Act of 1942 and the Stabilization Act of October 2, 1942, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman from Vermont [Mr. PLUMLEY], be permitted to extend his remarks in the RECORD and include therein a quotation from a press release of the Democratic Party.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McMURRAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an editorial by Charles E. Broughton, editor of the Sheboygan Press.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. CANNON of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

ELECTION TO COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer a resolution (H. Res. 595) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That JOHN S. GIBSON of the State of Georgia be, and he is hereby, elected a member of the standing committee of the House of Representatives on Expenditures in the Executive Departments.

The resolution was agreed to.

NAVY DEPARTMENT APPROPRIATION BILL, 1945

Mr. SHEPPARD submitted the following conference report and statement on the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8 and 9.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
WALTER C. PLOESER,
Managers on the part of the House.

JOHN H. OVERTON,
ELMER THOMAS,
THEODORE FRANCIS GREEN,
DAVID I. WALSH,
STYLES BRIDGES,
RUFUS C. HOLMAN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 8 and 9 to the bill (H. R. 4559) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1945, and additional appropriations therefor for the fiscal year 1944, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 8: Strikes out the provision proposed by the Senate for the resale to the original owners of land in Oklahoma, found to contain oil after acquisition by the Navy.

Amendment No. 9, relating to public works: Strikes out the provision proposed by the Senate requiring the conduct of a canvass of existing facilities that might be available for naval uses, publicly or privately owned, as a condition precedent to the provision of new ones.

HARRY R. SHEPPARD,
ALBERT THOMAS,
JOHN M. COFFEE,
JAMIE L. WHITTEN,
CHARLES A. PLUMLEY,
NOBLE J. JOHNSON,
WALTER C. PLOESER,
Managers on the part of the House.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 4559.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent to extend my remarks which I made in the Committee of the Whole and to include certain letters from the War Department and Navy Department.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SOIL CONSERVATION SERVICE

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4659) to authorize the Soil Conservation Service to lend certain equipment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. COLE]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Soil Conservation Service of the Agriculture Department is hereby authorized to lend to the Steuben Area Council of the Boy Scouts of America, kitchen equipment presently located at the side camp at Painted Post, N. Y., upon such terms and conditions as may be imposed by the Soil Conservation Service.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 11 o'clock.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the call of the calendar on Wednesday of this week be dispensed with.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a speech made by the distinguished gentleman from Texas [Mr. RAYBURN].

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REGULATION OF INSURANCE BUSINESS

Mr. ANDERSON of New Mexico. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ANDERSON of New Mexico. Mr. Speaker, announcement has been made that the House on Thursday will be asked to consider H. R. 3270, "a bill to affirm

the intent of the Congress that the regulation of the business of insurance remain within the control of the several States, and that the acts of July 2, 1890, and October 15, 1914, as amended, be not applicable to that business." Those are the Sherman and Clayton Acts.

On June 5 the Supreme Court of the United States handed down two decisions on the subject of insurance. One dealt with the South-Eastern Underwriters Association and its activities in the fixing of rates. The other was an appeal by the Polish National Alliance, a fraternal benefit society, against the National Labor Relations Board to determine if that company was subject to the National Labor Relations Act. To be subject to that act, a company must either be engaged in interstate commerce or its business must affect interstate commerce.

I do not intend to deal at any great length with these decisions, but I do desire to call to the attention of the Members of this House that on March 21 I introduced a bill (H. R. 4444), which is entitled "To express the intent of the Congress with reference to the regulation of the business of insurance."

It was not my purpose at that time to claim any special right to introduce such a bill. I presented it for the sole purpose of attempting to clarify a rather confused situation.

There was then pending in the Supreme Court of the United States one much-discussed suit entitled "The United States of America, Appellant, against South-Eastern Underwriters Association et al.," which came to the Supreme Court on appeal from the district court of the United States for the northern district of Georgia. This suit sought to apply antitrust provisions against certain fire-insurance companies, and presented in the Government's brief three questions:

First. Whether the fire-insurance business is in commerce.

Second. Whether the fire-insurance business is subject to the constitutional power of Congress to regulate commerce among the several States; and

Third. Whether, if so, the Sherman Act is violated by an agreement among fire-insurance companies to fix and maintain arbitrary and noncompetitive rates and to monopolize trade and commerce in fire insurance, in part through boycotts directed at companies not part of the conspiracy and the agents and purchasers of insurance who deal with them.

While this suit was before the Supreme Court there was introduced into the Congress of the United States certain legislation which bore the title "A bill to affirm the intent of the Congress that the regulation of the business of insurance remain within the control of the several States and that the acts of July 2, 1890, and October 15, 1914, as amended, be not applicable to that business."

There were several of these bills, all alike, but the bill to which I will refer is H. R. 3270, introduced by the distinguished gentleman from Pennsylvania [Mr. WALTER], a member of the Committee on the Judiciary, to which the bill was referred. It was reported favorably by the Judiciary Committee on November 18, 1943, and application was made soon after that to the Rules Committee for a rule under which it might be presented to the House.

In connection with H. R. 3270 there is a report, No. 873, dealing with the nonapplicability of antitrust laws to the business of insurance. I have been unable to restrain myself from becoming interested in this legislation. My excuse must be that for many years my livelihood was drawn from an insurance agency, that most of my adult life I have owned and operated an insurance agency and that I am therefore vitally interested in the ultimate welfare of the business of insurance, not just through one crisis or during one piece of criminal litigation against one set of companies but over the longer course where the ultimate welfare of every person engaged in the insurance business hinges on the question of how well the business of insurance serves the buyers of insurance.

So far as possible, I intend to stay away from ground that has already been covered, but I must confess that this entire controversy has its humorous aspects. We have seen the spectacle of the insurance companies conducting a campaign all over the United States persuading local insurance agents, State insurance commissioners, and large buyers of insurance to bombard the Congress with solemn declarations that the regulation of insurance must remain within the powers of the States and that the Federal Government must not now be permitted to take over the regulation of the insurance companies. It might be interesting to point out that in the cases such as Paul against Virginia, persistently cited by the insurance companies who now support H. R. 3270, those same insurance companies were on the opposite side of the fence, contending before the courts that the business of insurance was interstate in character, and that the States had no power to regulate or tax the insurance business. The courts have held that the States do have the power to regulate, and therefore the bill which I presented, H. R. 4444, tries to express the intent of the Congress on the matter of State regulation.

As in H. R. 3270, everything that is expressed in my bill was on the premise that the Supreme Court would decide in favor of the Government. I was not trying to predict what the Court was going to do, but, as did the proponents of H. R. 3270, I based my bill on the premise that the Supreme Court would decide in favor of the Government because if the Court decided against the Government, then we would have no problem requiring legislation at all.

The majority report on H. R. 3270 as presented on page 2 of report No. 873 says:

> The law has been settled that the business of insurance is not commerce.

I think we ought to pause there a minute. The very first page of report No. 873 says:

> The purpose of the bill is clearly stated in the title. It is to affirm the intent of the Congress that the regulation of the business of insurance remain within the control of the several States, where it now exists. It is not designed to interfere with any proceeding before the Supreme Court, if in fact such interference is possible. What resulting influence there may be upon decisions of the Supreme Court in pending proceedings after this expression or reexpression of the Congress as to the policy of the Nation is incidental.

I think it is proper, therefore, to assume that the proponents of H. R. 3270 mean exactly what they say and that the purpose of the bill is to affirm the intent of the Congress that the regulation of the business of insurance remain within the control of the several States.

What has happened since the Supreme Court ruled for the Government? What benefit would be served by the passage of H. R. 3270 when the Court has decided for the Government in both the case of the United States against South-Eastern Underwriters Association, where the matter in litigation is a question of violation of antitrust laws, or in the Polish National case, where the problem was whether or not insurance is interstate commerce or affects interstate commerce and thus is subject to the regulatory power in Congress under the commerce clause of the Constitution? Such bills as H. R. 3270 are of little avail. Once the Supreme Court of the United States has decided that insurance is interstate commerce, as it did in the South-Eastern case, and affects interstate commerce, as it did in the Polish National case, no act repealing, amending, or altering the antitrust laws will in any way affect the possibility of Federal regulation.

There are two phases to that. In the first place, the possibility or, if you want to call it that, the threat of Federal regulation arises as a result of the commerce power of the Federal Government under the Federal Constitution. It does not come to the Federal Government from any particular act of Congress such as the Sherman or Clayton Acts. The power of the Federal Government to regulate interstate commerce is clearly set forth in the Constitution. Any such law as H. R. 3270 becomes but a meaningless gesture when the Court decides for the Government in the antitrust suit and simultaneously holds for the Government in the Polish National suit and declares the business of insurance to be subject to Federal regulation as affecting interstate commerce.

The second phase that we should think about is this: Since the Court has held the business of insurance to be interstate commerce and to affect interstate commerce then the possibility or the threat of Federal regulation is real and ever present and will remain ever present even if the Sherman and Clayton Acts were to be entirely repealed as to every business in the country, including insurance.

So I say to the Members of this House that we need to proceed with some caution. If the purpose of H. R. 3270 is to affirm the intent of the Congress that the regulation of insurance should remain within the control of the several States, then the bill is couched in very bad language. The bill is a short, 8-line bill, reading:

> *Be it enacted, etc.*, That nothing contained in the act of July 2, 1890, as amended, known as the Sherman Act, or the act of October

15, 1914, as amended, known as the Clayton Act, shall be construed to apply to the business of insurance or to acts in the conduct of that business or in any wise to impair the regulation of that business by the several States.

Notice, if you please, that the bill relates to the Clayton and Sherman Acts which are antitrust laws. If what the bill tries to do is to affirm the intent of the Congress that the regulation of the business of insurance remain within the control of the several States, then the backers of H. R. 3270 should support my bill and the Judiciary Committee should promptly report out my bill because it does deal with the question of the regulation of insurance business by the several States and it does affirm the intent of the Congress that the Sherman Act and the Clayton Act shall not be deemed to abridge the rights of the States to license, regulate, and control that business.

So much for Federal regulation. Now a few words on the subject of State rights. What is going to happen if a conflict arises in such a fashion as to produce a clash between State regulation and the interstate commerce power of the Federal Government? I want to consider that under three main points.

First. In the absence of specific Federal regulation there is ample authority in numerous court decisions to indicate that generally the State can continue to regulate until the Federal Government preempts the field. Therefore, even though the Court has held for the Government in both of the cases directly affecting the insurance business, we do not need H. R. 3270 to lay down the assumption that the States can continue to regulate until the Federal Government preempts the field. The majority opinion by Mr. Justice Black clearly states that the fear that State regulation will be detrimentally affected by the holding that insurance is interstate commerce is greatly exaggerated.

Second. If the question becomes one of the taxing or licensing laws of a State which may be said to discriminate against corporations engaged in interstate commerce, the conflict then is not with the antitrust laws but with the interstate commerce clause of the Constitution. To remove any such conflict would require constitutional amendment. The conflict cannot be removed by taking the companies out from under the antitrust laws.

Thus we see that H. R. 3270 is no solution to our problem. If the purpose of that bill is to affirm the intent of the Congress that the regulation of the business of insurance remain within the control of the several States and the controversy is on the subject of licensing or the taxing, then the provisions of H. R. 3270, which I have just quoted, illustrate how futile its passage would be because it seeks to set aside only the Sherman and Clayton Acts, which have nothing to do with taxation and nothing to do with licensing. I therefore suggest that those people who have been supporting H. R. 3270 should now support my bill, which does deal with the question of State regulation and with the power of the State to license, to tax, and to do all the other things desired by associations of insurance agents and progressive executives in that field.

Third. We can see, therefore, that there is no clash between State regulation and the existence and application of antitrust laws. In the first place, most kinds of regulation, such as age qualifications, the financial capital required for starting an insurance company, the amount of business one can write on property which he controls, and matters of that nature, do not relate to antitrust problems. Further, even many of those regulations that do conflict in theory with antitrust laws are protected against the conflict by the Supreme Court's decision in Parker against Brown, in which it was held that the antitrust laws are aimed at the acts of individuals and not at State or other governmental activity. Finally, State regulation and antitrust regulation really implement each other—one controlling and regulating what is done within the State and the other controlling those matters which cross State lines and which are in derogation of the public interest by restraining competition.

I might concede for the sake of argument that regulation such as I have proposed in H. R. 4444 should not be necessary but there has arisen a great hue and cry for State rights in the field of insurance. It has not been apparent whether the cry is really in furtherance of State rights or is actually an attempt to escape prosecution.

Thus, the first purpose of the bill (H. R. 3270) is a self-seeking attempt by the industry to get out of a criminal prosecution. Since Federal regulation would always be possible under a holding that the business is interstate commerce, if the proponents of this bill really wish to protect State rights, they should be willing to accept my proposal which protects State rights without giving any special dispensation to a particular industry for all acts past, present, or future in violation of the principles of free competition. My bill is limited to insuring that the acts in question do not abridge the rights of the States to regulate where the States actually do regulate.

It should not be necessary to use much time or much argument. Only a short time ago there appeared in the Cleveland Plain Dealer, of Cleveland, Ohio, a news story pointing out that the first steps of what might be a State probe of stock fire-insurance-company operations would be undertaken as soon as possible in that State. An Ohio judge, in a suit against the city transit system of Cleveland, held against certain stock fire-insurance companies who banded themselves together in the Ohio Inspection Bureau. The judge pointed out that the bureau's legal function was to fix rates but that what it was trying to do was restrain trade.

I have tried to meet that sort of situation by the legislation which I have proposed in this House. I have tried to make it possible for insurance companies to live. I have tried to make it possible for a rating bureau to exist. I have tried to provide that standards could be set up for the licensing of agents, for the regulation of commissions, and for the other things which enlightened insurance agents have steadily sought.

But on the antitrust angle I have written in the bill a simple provision that will avoid antitrust prosecution by the Federal Government as long as the insurance companies obtain State permission in advance for the things which they are trying to do in the way of fixing rates on the business of their customers.

On that basis, I invite into the fold in support of H. R. 4444 the insurance companies which have been and which, on the basis of their public professions, I have a right to assume are backing H. R. 3270 in the interests of guaranteeing full and complete regulation by the States of the business of insurance. This purpose can be met by the passage of H. R. 4444.

Finally, it seems to me we are overlooking a most important consideration when we do not ask the Association of Insurance Commissioners of the 48 States to give us their considered recommendation as to the shape which our legislation should take. The association could not do this until after the Supreme Court had handed down its decisions. By a strange coincidence their regular annual meeting is now in progress in Chicago. These men are the chosen representatives of the people of their respective States to represent them in insurance matters. Their function is to protect the purchasers of every type of insurance policy whether it be life, fire, casualty, accident, and health or any other type of coverage. All these policies, forms, and rates clear through their offices. Nearly every insurance policy carries a small percentage of fee which is paid to the State to build up a department of insurance for the protection of the insuring public. Surely we should invite these people to give us their comments and suggestions and, if possible, their suggested draft of a law.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CAPOZZOLI (at the request of Mr. KEOGH), for an indefinite period, on account of official business.

To Mr. EATON (at the request of Mr. AUCHINCLOSS) for 2 days, on account of attending a funeral.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 767. An act to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 24 minutes p. m.) the House, pursuant to its order heretofore entered, adjourned until tomorrow, Wednesday, June 14, 1944, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Public Health Subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Wednesday, June 14, 1944, to begin public hearings on H. R. 4615, a bill to establish, for the investigation and control of tuberculosis, a division in the Public Health Service, and for other purposes.

COMMITTEE ON INVALID PENSIONS

The Committee on Invalid Pensions will continue hearings on Wednesday, June 14, 1944, at 10 a. m., in the committee room, 247 House Office Building, on H. R. 819 and H. R. 1014, to provide pensions for peacetime veterans at the rate of 90 percent of the compensation payable to war veterans for similar service-connected disabilities, introduced by Chairman LESINSKI, and H. R. 1005, entitled "A bill to increase and equalize the pensions of those persons disabled as the result of service in the Army, Navy, Marine Corps, and Coast Guard," introduced by Representative HENDRICKS, of Florida.

Brig. Gen. Frank T. Hines, Administrator of Veterans' Affairs, will present testimony.

COMMITTEE ON THE MERCHANT MARINE AND FISHERIES

The Committee on the Merchant Marine and Fisheries will hold a public hearing Saturday, June 17, 1944, at 10 a. m., on H. R. 4968, a bill to amend section 511 (c) of the Merchant Marine Act of 1936, as amended, relative to deposit of vessel proceeds received from the United States in certain cases, and for other purposes.

Persons desiring copies of the printed hearings when available will please notify the clerk by letter.

Witnesses are requested to notify the clerk by letter at least a day in advance of the hearing of their desire to testify in order that a list of witnesses may be prepared. Written statements for the record from persons other than witnesses should be submitted a day in advance. Amendments to be proposed during the hearing should be submitted to the reporter in duplicate.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV a letter from the Secretary of Commerce, transmitting a request that any appropriations that are made for the development of airstrips should be earmarked for the Civil Aeronautics Administration, was taken from the Speaker's table and referred to the Committee on Roads.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURCH of Virginia: Committee on the Post Office and Post Roads. H. R. 4949. A bill to amend the Second War Powers Act of 1942; without amendment (Rept. No. 1636). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANHAM: Committee on Public Buildings and Grounds. House Joint Resolution 291. Joint resolution to provide for the quartering, in certain public buildings in the District of Columbia, of troops participating in the inaugural ceremonies; without amendment (Rept. No. 1635). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JENNINGS:

H. R. 5015. A bill to amend the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, as amended, to further protect the rights, privileges, and immunities extended to citizens by State and Federal election laws; to the Committee on the Judiciary.

By Mr. WIGGLESWORTH:

H. R. 5016. A bill to grant certain veterans' preference benefits to certain persons who serve in the armed forces of nations allied with the United States in the present war; to the Committee on the Civil Service.

By Mr. DICKSTEIN:

H. Con. Res. 92. Concurrent resolution declaring it to be un-American to participate in activities to create racial or religious disunity; to the Committee on the Judiciary.

By Mr. BYRNE:

H. Res. 594. Resolution to provide for the temporary admission of political or religious refugees of continental Europe into areas within the United States to be known as free ports for refugees; to the Committee on Immigration and Naturalization.

By Mr. CELLER:

H. Res. 596. Resolution for lend-lease aid to Italy; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLASON:

H. R. 5017. A bill for the relief of the Dempsey Industrial Furnace Corporation; to the Committee on Claims.

By Mr. BALDWIN of Maryland:

H. R. 5018. A bill for the relief of Pauline V. Smallwood; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5845. By Mr. BRUMBAUGH: Petition of Joseph Bich, Altoona, Pa., and 700 other residents of the Twenty-third Congressional District of Pennsylvania, protesting against the consideration by Congress of House bill 2082 or any prohibition legislation; to the Committee on the Judiciary.

5846. By Mr. EBERHARTER: Petition of residents of the Thirty-first Congressional District of Pennsylvania and vicinity with 1,240 signatures, protesting against prohibition of the manufacture, sale, and distribution of alcoholic liquors; to the Committee on the Judiciary.

5847. By Mr. KELLEY: Petition of 349 residents of the Twenty-eighth Congressional District of Pennsylvania and vicinity, protesting against prohibition of the manufacture, sale, or distribution of alcoholic liquors; to the Committee on the Judiciary.

5848. By Mr. MAAS: 85 petitions of residents of Ramsey County, Minn. (Fourth Congressional District), with 2,950 signatures, protesting against the passage of the Bryson bill, H. R. 2082, prohibiting the manufacturing, sale, or distribution of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5849. Also, 55 petitions of residents of Ramsey County, Minn. (Fourth Congressional District), with 1,290 signatures, protesting against the passage of the Bryson bill, H. R. 2082, prohibiting the manufacturing, sale, or distribution of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

5850. By Mr. MALONEY: Petition of 207 Louisiana citizens, containing thousands of signatures, hereby protesting against the consideration by Congress of any prohibition legislation, including in the protest the Bryson bill, H. R. 2082, believing that prohibition, either in the neighborhood of Army camps or nationally, would impede the war effort of our country and bring back the evils of bootlegging and racketeering, which our Nation got rid of in 1933; to the Committee on the Judiciary.

5851. By Mr. WELCH: California State Senate Resolution No. 11, memorializing the President and Congress to amend section 209 (f) of the Federal Social Security Act, defining "average monthly wage," to limit the elapsed quarters to those during which a wage earner was subject to the act; to the Committee on Banking and Currency.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 14, 1944

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, in the midst of these most urgent days, folded in a common purpose, allow no discouragement or failure to depress us. With unstaggering faith, strong and confident, let us look forward when a mighty cause will be saved for humanity. We pray that the divine will may work in us to inspire and direct our best powers and thus seal our most sacred destiny and our greatest joy.

Almighty God, in the name of the Prince of Peace, we salute the flag of our country with its bars of white, with its stars of light, and with the red of our Nation's sacrifice. It speaks with a deep spiritual significance, and of the high moments and sentiments when democracy was struggling for life and light. O let us vow that it shall wave in triumph over stained battlefields where freedom and liberty are in the clutch of death. O may it never wave above anything that is base and sordid, or be handled save by those whose hands are clean and whose hearts are strong. Lord God of hosts, let its glorious colors float over lands and seas, symbolizing every blessing that is dear to the American heart. Grant that they may be realized in our free churches and free libraries, in our free schools, and in our free hospitals, and fall richly upon every home throughout the length and breadth of our land, and Thine shall be the praise forever, in the name of Him who is our eternal hope. Amen.

The Journal of the proceedings of yesterday was read and approved.